

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILLS NOS. 617, 611 & 667
99TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, February 15, 2018, with recommendation that the Senate Committee Substitute do pass.

4085S.19C

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal sections 32.087, 32.200, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 135.352, 142.803, 143.011, 143.071, 143.171, 143.261, 143.451, 143.461, 143.471, 144.010, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.100, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.759, 144.761, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 221.407, 238.235, 238.410, 620.1350, and 644.032, RSMo, and to enact in lieu thereof ninety-three new sections relating to taxation, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 32.087, 32.200, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 135.352, 142.803, 143.011, 143.071, 143.171, 143.261, 143.451, 143.461, 143.471, 144.010, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.100, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.759, 144.761, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 221.407, 238.235, 238.410, 620.1350, and 644.032, RSMo, are repealed and ninety-three new sections enacted in lieu thereof, to be known as sections 32.070, 32.086,

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

12 32.087, 32.200, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582,
13 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799,
14 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1775, 67.1959, 67.2000,
15 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 135.352, 142.803,
16 143.011, 143.071, 143.171, 143.177, 143.261, 143.451, 143.455, 143.461, 143.471,
17 144.010, 144.014, 144.020, 144.022, 144.030, 144.032, 144.049, 144.054, 144.060,
18 144.079, 144.080, 144.082, 144.083, 144.084, 144.100, 144.105, 144.109, 144.110,
19 144.111, 144.112, 144.113, 144.114, 144.123, 144.124, 144.125, 144.140, 144.190,
20 144.210, 144.212, 144.285, 144.526, 144.600, 144.612, 144.655, 144.759, 144.761,
21 184.845, 221.407, 238.235, 238.410, 620.1350, 620.3200, 620.3210, and 644.032,
22 to read as follows:

**32.070. 1. The director of the department of revenue shall enter
2 into the streamlined sales and use tax agreement with one or more
3 states to simplify and modernize sales and use tax administration in
4 order to substantially reduce the burden of tax compliance for all
5 sellers and for all types of commerce. In furtherance of the streamlined
6 sales and use tax agreement, the director of the department of revenue
7 may act jointly with other states that are members of the streamlined
8 sales and use tax agreement to establish standards for certification of
9 a certified service provider and certified automated system and
10 establish performance standards for multistate sellers.**

**2. The director of the department of revenue may take other
12 action reasonably required to implement the provisions set forth in the
13 streamlined sales and use tax agreement, including, but not limited to,
14 the promulgation of rules and the joint procurement, with other
15 member states, of goods and services in furtherance of the streamlined
16 sales and use tax agreement.**

**3. For the purposes of representing the state as a member of the
18 agreement and, if necessary, amending the agreement, the state shall
19 be represented by four delegates, one of whom shall be appointed by
20 the governor, one shall be a member of the general assembly appointed
21 by the president pro tempore of the senate, one shall be a member of
22 the general assembly appointed by the speaker of the house of
23 representatives, with the director of the department of revenue or the
24 director's designee as the fourth delegate. The delegates shall
25 recommend to the committees responsible for reviewing tax issues in
26 the senate and the house of representatives each year any amendment**

27 of state statutes required to be substantially in compliance with the
28 agreement. Such delegates shall make a written report by the fifteenth
29 day of January each year regarding the status of the agreement.

30 4. The department of revenue shall promulgate rules necessary
31 to implement the provisions of the streamlined sales and use tax
32 agreement. Any rule or portion of a rule, as that term is defined in
33 section 536.010 that is created under the authority delegated in this
34 section shall become effective only if it complies with and is subject to
35 all of the provisions of chapter 536, and, if applicable, section
36 536.028. This section and chapter 536 are nonseverable and if any of
37 the powers vested with the general assembly pursuant to chapter 536,
38 to review, to delay the effective date, or to disapprove and annul a rule
39 are subsequently held unconstitutional, then the grant of rulemaking
40 authority and any rule proposed or adopted after August 28, 2018, shall
41 be invalid and void.

32.086. Notwithstanding any other provision of law, for all local
2 sales and use taxes collected by the department and remitted to a
3 political jurisdiction or taxing district, the department shall remit one
4 percent of the amount collected to the general revenue fund to offset
5 the cost of collection, unless a greater amount is specified in the local
6 sales and use tax law. The department shall not commingle the
7 remaining amounts collected with general revenues and shall remit the
8 remaining amounts collected to the political jurisdiction or taxing
9 district less any credits for erroneous payments, overpayments, and
10 dishonored checks.

32.087. 1. Within ten days after the adoption of any ordinance or order
2 in favor of adoption of any local sales tax authorized under the local sales tax law
3 by the voters of a taxing entity, the governing body or official of such taxing
4 entity shall forward to the director of revenue by United States registered mail
5 or certified mail a certified copy of the ordinance or order. [The ordinance or
6 order shall reflect the effective date thereof.]

7 2. Any local sales tax so adopted shall become effective [on the first day
8 of the second calendar quarter after the director of revenue receives notice of
9 adoption of the local sales tax, except] as provided in subsection [18] 19 of this
10 section, and shall be imposed on all transactions on which the Missouri state
11 sales tax is imposed.

12 3. Every retailer within the jurisdiction of one or more taxing entities

13 which has imposed one or more local sales taxes under the local sales tax law
14 shall add all taxes so imposed along with the tax imposed by the sales tax law of
15 the state of Missouri to the sale price and, when added, the combined tax shall
16 constitute a part of the price, and shall be a debt of the purchaser to the retailer
17 until paid, and shall be recoverable at law in the same manner as the purchase
18 price. The combined rate of the state sales tax and all local sales taxes shall be
19 the sum of the rates, multiplying the combined rate times the amount of the sale.

20 4. [The brackets required to be established by the director of revenue
21 under the provisions of section 144.285 shall be based upon the sum of the
22 combined rate of the state sales tax and all local sales taxes imposed under the
23 provisions of the local sales tax law.

24 5.] (1) The ordinance or order imposing a local sales tax under the local
25 sales tax law shall impose a tax upon all transactions upon which the Missouri
26 state sales tax is imposed to the extent and in the manner provided in [sections
27 144.010 to 144.525] **chapter 144**, and the rules and regulations of the director
28 of revenue issued pursuant thereto[; except that the rate of the tax shall be the
29 sum of the combined rate of the state sales tax or state highway use tax and all
30 local sales taxes imposed under the provisions of the local sales tax law].

31 (2) Notwithstanding any other provision of law to the contrary, local
32 taxing jurisdictions, except those in which voters have approved a local use tax
33 under section 144.757, shall have placed on the ballot on or after the general
34 election in November 2014, but no later than the general election in November
35 2018, whether to repeal application of the local sales tax to the titling of motor
36 vehicles, trailers, boats, and outboard motors that are subject to state sales tax
37 under section 144.020 and purchased from a source other than a licensed
38 Missouri dealer. The ballot question presented to the local voters shall contain
39 substantially the following language:

40 Shall the _____ (local jurisdiction's name) discontinue applying and
41 collecting the local sales tax on the titling of motor vehicles, trailers, boats, and
42 outboard motors that were purchased from a source other than a licensed
43 Missouri dealer?

44 Approval of this measure will result in a reduction of local revenue to
45 provide for vital services for _____ (local jurisdiction's name) and it will place
46 Missouri dealers of motor vehicles, outboard motors, boats, and trailers at a
47 competitive disadvantage to non-Missouri dealers of motor vehicles, outboard
48 motors, boats, and trailers.

49

☐ YES☐ NO

50 If you are in favor of the question, place an "X" in the box opposite "YES". If you
51 are opposed to the question, place an "X" in the box opposite "NO".

52 (3) If the ballot question set forth in subdivision (2) of this subsection
53 receives a majority of the votes cast in favor of the proposal, or if the local taxing
54 jurisdiction fails to place the ballot question before the voters on or before the
55 general election in November 2018, the local taxing jurisdiction shall cease
56 applying the local sales tax to the titling of motor vehicles, trailers, boats, and
57 outboard motors that were purchased from a source other than a licensed
58 Missouri dealer.

59 (4) In addition to the requirement that the ballot question set forth in
60 subdivision (2) of this subsection be placed before the voters, the governing body
61 of any local taxing jurisdiction that had previously imposed a local use tax on the
62 use of motor vehicles, trailers, boats, and outboard motors may, at any time, place
63 a proposal on the ballot at any election to repeal application of the local sales tax
64 to the titling of motor vehicles, trailers, boats, and outboard motors purchased
65 from a source other than a licensed Missouri dealer. If a majority of the votes
66 cast by the registered voters voting thereon are in favor of the proposal to repeal
67 application of the local sales tax to such titling, then the local sales tax shall no
68 longer be applied to the titling of motor vehicles, trailers, boats, and outboard
69 motors purchased from a source other than a licensed Missouri dealer. If a
70 majority of the votes cast by the registered voters voting thereon are opposed to
71 the proposal to repeal application of the local sales tax to such titling, such
72 application shall remain in effect.

73 (5) In addition to the requirement that the ballot question set forth in
74 subdivision (2) of this subsection be placed before the voters on or after the
75 general election in November 2014, and on or before the general election in
76 November 2018, whenever the governing body of any local taxing jurisdiction
77 imposing a local sales tax on the sale of motor vehicles, trailers, boats, and
78 outboard motors receives a petition, signed by fifteen percent of the registered
79 voters of such jurisdiction voting in the last gubernatorial election, and calling
80 for a proposal to be placed on the ballot at any election to repeal application of
81 the local sales tax to the titling of motor vehicles, trailers, boats, and outboard
82 motors purchased from a source other than a licensed Missouri dealer, the
83 governing body shall submit to the voters of such jurisdiction a proposal to repeal
84 application of the local sales tax to such titling. If a majority of the votes cast by

85 the registered voters voting thereon are in favor of the proposal to repeal
86 application of the local sales tax to such titling, then the local sales tax shall no
87 longer be applied to the titling of motor vehicles, trailers, boats, and outboard
88 motors purchased from a source other than a licensed Missouri dealer. If a
89 majority of the votes cast by the registered voters voting thereon are opposed to
90 the proposal to repeal application of the local sales tax to such titling, such
91 application shall remain in effect.

92 (6) Nothing in this subsection shall be construed to authorize the voters
93 of any jurisdiction to repeal application of any state sales or use tax.

94 (7) If any local sales tax on the titling of motor vehicles, trailers, boats,
95 and outboard motors purchased from a source other than a licensed Missouri
96 dealer is repealed, such repeal shall take effect [on the first day of the second
97 calendar quarter after the election] **as provided in subsection 19 of this**
98 **section.** If any local sales tax on the titling of motor vehicles, trailers, boats,
99 and outboard motors purchased from a source other than a licensed Missouri
100 dealer is required to cease to be applied or collected due to failure of a local
101 taxing jurisdiction to hold an election pursuant to subdivision (2) of this
102 subsection, such cessation shall take effect on March 1, 2019.

103 (8) Notwithstanding any provision of law to the contrary, if any local sales
104 tax on the titling of motor vehicles, trailers, boats, and outboard motors
105 purchased from a source other than a licensed Missouri dealer is repealed after
106 the general election in November 2014, or if the taxing jurisdiction failed to
107 present the ballot to the voters at a general election on or before November 2018,
108 then the governing body of such taxing jurisdiction may, at any election
109 subsequent to the repeal or after the general election in November 2018, if the
110 jurisdiction failed to present the ballot to the voters, place before the voters the
111 issue of imposing a sales tax on the titling of motor vehicles, trailers, boats, and
112 outboard motors that are subject to state sales tax under section 144.020 that
113 were purchased from a source other than a licensed Missouri dealer. The ballot
114 question presented to the local voters shall contain substantially the following
115 language:

116 Shall the _____ (local jurisdiction's name) apply and collect the local sales
117 tax on the titling of motor vehicles, trailers, boats, and outboard motors that are
118 subject to state sales tax under section 144.020 and purchased from a source
119 other than a licensed Missouri dealer?

120 Approval of this measure will result in an increase of local revenue to provide for

121 vital services for _____ (local jurisdiction's name), and it will remove a
122 competitive advantage that non-Missouri dealers of motor vehicles, outboard
123 motors, boats, and trailers have over Missouri dealers of motor vehicles, outboard
124 motors, boats, and trailers.

125 ☐ YES ☐ NO

126 If you are in favor of the question, place an "X" in the box opposite "YES".

127 If you are opposed to the question, place an "X" in the box opposite "NO".

128 (9) If any local sales tax on the titling of motor vehicles, trailers, boats,
129 and outboard motors purchased from a source other than a licensed Missouri
130 dealer is adopted, such tax shall take effect and be imposed [on the first day of
131 the second calendar quarter after the election] **as provided in subsection 19**
132 **of this section.**

133 [6.] 5. On and after the effective date of any local sales tax imposed
134 under the provisions of the local sales tax law, the director of revenue shall
135 perform all functions incident to the administration, collection, enforcement, and
136 operation of the tax, and the director of revenue shall collect in addition to the
137 sales tax for the state of Missouri all additional local sales taxes authorized under
138 the authority of the local sales tax law. All local sales taxes imposed under the
139 local sales tax law together with all taxes imposed under the sales tax law of the
140 state of Missouri shall be collected together and reported upon such forms and
141 under such administrative rules and regulations as may be prescribed by the
142 director of revenue.

143 [7.] 6. All applicable provisions contained in sections 144.010 to 144.525
144 governing the state sales tax and section 32.057, the uniform confidentiality
145 provision, shall apply to the collection of any local sales tax imposed under the
146 local sales tax law except as modified by the local sales tax law.

147 [8.] 7. All exemptions granted to agencies of government, organizations,
148 persons and to the sale of certain articles and items of tangible personal property
149 and taxable services under the provisions of sections 144.010 to 144.525, as these
150 sections now read and as they may hereafter be amended, it being the intent of
151 this general assembly to ensure that the same sales tax exemptions granted from
152 the state sales tax law also be granted under the local sales tax law, are hereby
153 made applicable to the imposition and collection of all local sales taxes imposed
154 under the local sales tax law.

155 [9.] 8. The same sales tax permit, exemption certificate and retail
156 certificate required by sections 144.010 to 144.525 for the administration and

157 collection of the state sales tax shall satisfy the requirements of the local sales
158 tax law, and no additional permit or exemption certificate or retail certificate
159 shall be required; except that the director of revenue may prescribe a form of
160 exemption certificate for an exemption from any local sales tax imposed by the
161 local sales tax law.

162 [10.] 9. All discounts allowed the retailer under the provisions of the
163 state sales tax law for the collection of and for payment of taxes under the
164 provisions of the state sales tax law are hereby allowed and made applicable to
165 any local sales tax collected under the provisions of the local sales tax law.

166 [11.] 10. The penalties provided in section 32.057 and sections 144.010
167 to 144.525 for a violation of the provisions of those sections are hereby made
168 applicable to violations of the provisions of the local sales tax law.

169 [12. (1)] 11. For the purposes of any local sales tax imposed by an
170 ordinance or order under the local sales tax law, all sales[, except the sale of
171 motor vehicles, trailers, boats, and outboard motors required to be titled under
172 the laws of the state of Missouri, shall be deemed to be consummated at the place
173 of business of the retailer unless the tangible personal property sold is delivered
174 by the retailer or his agent to an out-of-state destination. In the event a retailer
175 has more than one place of business in this state which participates in the sale,
176 the sale shall be deemed to be consummated at the place of business of the
177 retailer where the initial order for the tangible personal property is taken, even
178 though the order must be forwarded elsewhere for acceptance, approval of credit,
179 shipment or billing. A sale by a retailer's agent or employee shall be deemed to
180 be consummated at the place of business from which he works.

181 (2) For the purposes of any local sales tax imposed by an ordinance or
182 order under the local sales tax law, the sales tax upon the titling of all motor
183 vehicles, trailers, boats, and outboard motors shall be imposed at the rate in
184 effect at the location of the residence of the purchaser, and remitted to that local
185 taxing entity, and not at the place of business of the retailer, or the place of
186 business from which the retailer's agent or employee works.

187 (3) For the purposes of any local tax imposed by an ordinance or under the
188 local sales tax law on charges for mobile telecommunications services, all taxes
189 of mobile telecommunications service shall be imposed as provided in the Mobile
190 Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as
191 amended] **shall be sourced as provided by sections 144.111 to 144.114.**

192 [13.] 12. Local sales taxes shall not be imposed on the seller of motor

193 vehicles, trailers, boats, and outboard motors required to be titled under the laws
194 of the state of Missouri, but shall be collected from the purchaser by the director
195 of revenue at the time application is made for a certificate of title, if the address
196 of the applicant is within a taxing entity imposing a local sales tax under the
197 local sales tax law.

198 **[14.] 13.** The director of revenue and any of his deputies, assistants and
199 employees who have any duties or responsibilities in connection with the
200 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
201 or recording of funds which come into the hands of the director of revenue under
202 the provisions of the local sales tax law shall enter a surety bond or bonds
203 payable to any and all taxing entities in whose behalf such funds have been
204 collected under the local sales tax law in the amount of one hundred thousand
205 dollars for each such tax; but the director of revenue may enter into a blanket
206 bond covering himself and all such deputies, assistants and employees. The cost
207 of any premium for such bonds shall be paid by the director of revenue from the
208 share of the collections under the sales tax law retained by the director of
209 revenue for the benefit of the state.

210 **[15.] 14.** The director of revenue shall annually report on his
211 management of each trust fund which is created under the local sales tax law and
212 administration of each local sales tax imposed under the local sales tax law. He
213 shall provide each taxing entity imposing one or more local sales taxes authorized
214 by the local sales tax law with a detailed accounting of the source of all funds
215 received by him for the taxing entity. Notwithstanding any other provisions of
216 law, the state auditor shall annually audit each trust fund. A copy of the
217 director's report and annual audit shall be forwarded to each taxing entity
218 imposing one or more local sales taxes.

219 **[16.] 15.** Within the boundaries of any taxing entity where one or more
220 local sales taxes have been imposed, if any person is delinquent in the payment
221 of the amount required to be paid by him under the local sales tax law or in the
222 event a determination has been made against him for taxes and penalty under
223 the local sales tax law, the limitation for bringing suit for the collection of the
224 delinquent tax and penalty shall be the same as that provided in sections 144.010
225 to 144.525. Where the director of revenue has determined that suit must be filed
226 against any person for the collection of delinquent taxes due the state under the
227 state sales tax law, and where such person is also delinquent in payment of taxes
228 under the local sales tax law, the director of revenue shall notify the taxing entity

229 in the event any person fails or refuses to pay the amount of any local sales tax
230 due so that appropriate action may be taken by the taxing entity.

231 [17.] **16.** Where property is seized by the director of revenue under the
232 provisions of any law authorizing seizure of the property of a taxpayer who is
233 delinquent in payment of the tax imposed by the state sales tax law, and where
234 such taxpayer is also delinquent in payment of any tax imposed by the local sales
235 tax law, the director of revenue shall permit the taxing entity to join in any sale
236 of property to pay the delinquent taxes and penalties due the state and to the
237 taxing entity under the local sales tax law. The proceeds from such sale shall
238 first be applied to all sums due the state, and the remainder, if any, shall be
239 applied to all sums due such taxing entity.

240 [18.] **17.** If a local sales tax has been in effect for at least one year under
241 the provisions of the local sales tax law and voters approve reimposition of the
242 same local sales tax at the same rate at an election as provided for in the local
243 sales tax law prior to the date such tax is due to expire, the tax [so] reimposed
244 shall become effective [the first day of the first calendar quarter after the director
245 receives a certified copy of the ordinance, order or resolution accompanied by a
246 map clearly showing the boundaries thereof and the results of such election,
247 provided that such ordinance, order or resolution and all necessary accompanying
248 materials are received by the director at least thirty days prior to the expiration
249 of such tax. Any administrative cost or expense incurred by the state as a result
250 of the provisions of this subsection shall be paid by the city or county reimposing
251 such tax] **as provided by subsection 19 of this section.**

252 **18.** If the boundaries of a city in which a sales tax has been
253 imposed shall thereafter be changed or altered, the city clerk shall
254 forward to the director of revenue by United States registered mail or
255 certified mail a certified copy of the ordinance adding or detaching
256 territory from the city within ten days of adoption of the
257 ordinance. The ordinance shall reflect the effective date of the
258 ordinance and shall be accompanied by a map of the city clearly
259 showing the territory added or detached from the city
260 boundaries. Upon receipt of the ordinance and map, the tax imposed
261 under the local sales tax law shall be effective in the added territory or
262 abolished in the detached territory on the first day of a calendar
263 quarter after one hundred twenty days' notice to sellers.

264 **19. (1)** The effective date for the imposition, repeal, or rate

265 **change of each local sales and use tax is the first day of the calendar**
266 **quarter after a minimum of one hundred twenty days' notice to sellers.**
267 **In all cases where notice is required to be made to the director of**
268 **revenue by a local taxing jurisdiction, such notice shall be made at**
269 **least one hundred twenty days prior to the effective date for the**
270 **imposition, repeal, or rate change of a local sales and use tax.**

271 **(2) The effective date for any local jurisdiction boundary change**
272 **for sales and use tax purposes is the first day of the calendar quarter**
273 **after a minimum of one hundred twenty days' notice to sellers.**

32.200. The "Multistate Tax Compact" is hereby enacted into law and
2 entered into with all jurisdictions legally joining therein, in the form
3 substantially as follows:

4 MULTISTATE TAX COMPACT

5 Article I

6 The purposes of this compact are to:

- 7 1. Facilitate proper determination of state and local tax liability of
8 multistate taxpayers, including the equitable apportionment of tax bases and
9 settlement of apportionment disputes.
- 10 2. Promote uniformity or compatibility in significant components of tax
11 systems.
- 12 3. Facilitate taxpayer convenience and compliance in the filing of tax
13 returns and in other phases of tax administration.
- 14 4. Avoid duplicative taxation.

15 Article II

16 As used in this compact:

- 17 1. "State" means a state of the United States, the District of Columbia,
18 the Commonwealth of Puerto Rico, or any territory or possession of the United
19 States.
- 20 2. "Subdivision" means any governmental unit or special district of a
21 state.
- 22 3. "Taxpayer" means any corporation, partnership, firm, association,
23 governmental unit or agency or person acting as a business entity in more than
24 one state.
- 25 4. "Income tax" means a tax imposed on or measured by net income
26 including any tax imposed on or measured by an amount arrived at by deducting
27 expenses from gross income, one or more forms of which expenses are not

28 specifically and directly related to particular transactions.

29 5. "Capital stock tax" means a tax measured in any way by the capital of
30 a corporation considered in its entirety.

6. "Gross receipts tax" means a tax, other than a sales tax, which is imposed on or measured by the gross volume of business, in terms of gross receipts or in other terms, and in the determination of which no deduction is allowed which would constitute the tax an income tax.

35 7. "Sales tax" means a tax imposed with respect to the transfer for a
36 consideration of ownership, possession or custody of tangible personal property
37 or the rendering of services measured by the price of the tangible personal
38 property transferred or services rendered and which is required by state or local
39 law to be separately stated from the sales price by the seller, or which is
40 customarily separately stated from the sales price, but does not include a tax
41 imposed exclusively on the sale of a specifically identified commodity or article
42 or class of commodities or articles.

8. "Use tax" means a nonrecurring tax, other than a sales tax, which

(a) is imposed on or with respect to the exercise or enjoyment of any right or power over tangible personal property incident to the ownership, possession or custody of that property or the leasing of that property from another including any consumption, keeping, retention, or other use of tangible personal property;

and

49 (b) is complementary to a sales tax.

9. "Tax" means an income tax, capital stock tax, gross receipts tax, sales tax, use tax, and any other tax which has a multistate impact, except that the provisions of articles III, IV and V of this compact shall apply only to the taxes specifically designated therein and the provisions of article IX of this compact shall apply only in respect to determinations pursuant to article IV.

55 Article III

1. Any taxpayer subject to an income tax whose income is subject to apportionment and allocation for tax purposes pursuant to the laws of a party state or pursuant to the laws of subdivisions in two or more party states may elect to apportion and allocate his income in the manner provided by the laws of such state or by the laws of such states and subdivisions without reference to this compact, or may elect to apportion and allocate in accordance with article IV; **except that for tax years beginning on or after January 1, 2019, any taxpayer subject to the tax imposed by section 143.071 shall apportion**

64 **and allocate in accordance with the provisions of Chapter 143 and shall**
65 **not apportion or allocate in accordance with article IV.** This election for
66 any tax year may be made in all party states or subdivisions thereof or in any one
67 or more of the party states or subdivisions thereof without reference to the
68 election made in the others. For the purposes of this paragraph, taxes imposed
69 by subdivisions shall be considered separately from state taxes and the
70 apportionment and allocation also may be applied to the entire tax base. In no
71 instance wherein article IV is employed for all subdivisions of a state may the
72 sum of all apportionments and allocations to subdivisions within a state be
73 greater than the apportionment and allocation that would be assignable to that
74 state if the apportionment or allocation were being made with respect to a state
75 income tax.

2. Each party state or any subdivision thereof which imposes an income tax shall provide by law that any taxpayer required to file a return, whose only activities within the taxing jurisdiction consist of sales and do not include owning or renting real estate or tangible personal property, and whose dollar volume of gross sales made during the tax year within the state or subdivision, as the case may be, is not in excess of \$100,000 may elect to report and pay any tax due on the basis of a percentage of such volume, and shall adopt rates which shall produce a tax which reasonably approximates the tax otherwise due. The multistate tax commission, not more than once in five years, may adjust the \$100,000 figure in order to reflect such changes as may occur in the real value of the dollar, and such adjusted figure, upon adoption by the commission, shall replace the \$100,000 figure specifically provided herein. Each party state and subdivision thereof may make the same election available to taxpayers additional to those specified in this paragraph.

3. Nothing in this article relates to the reporting or payment of any tax
other than an income tax.

92 Article IV

93 1. As used in this article, unless the context otherwise requires:

(1) "Business income" means income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations.

99 (2) "Commercial domicile" means the principal place from which the trade

100 or business of the taxpayer is directed or managed.

101 (3) "Compensation" means wages, salaries, commissions and any other
102 form of remuneration paid to employees for personal services.

103 (4) "Financial organization" means any bank, trust company, savings
104 bank, industrial bank, land bank, safe deposit company, private banker, savings
105 and loan association, credit union, cooperative bank, small loan company, sales
106 finance company, investment company, or any type of insurance company.

107 (5) "Nonbusiness income" means all income other than business income.

108 (6) "Public utility" means any business entity

109 (a) which owns or operates any plant, equipment, property, franchise, or
110 license for the transmission of communications, transportation of goods or
111 persons, except by pipeline, or the production, transmission, sale, delivery, or
112 furnishing of electricity, water or steam; and

113 (b) whose rates of charges for goods or services have been established or
114 approved by a federal, state or local government or governmental agency.

115 (7) "Sales" means all gross receipts of the taxpayer not allocated under
116 paragraphs of this article.

117 (8) "State" means any state of the United States, the District of Columbia,
118 the Commonwealth of Puerto Rico, any territory or possession of the United
119 States, and any foreign country or political subdivision thereof.

120 (9) "This state" means the state in which the relevant tax return is filed
121 or, in the case of application of this article, to the apportionment and allocation
122 of income for local tax purposes, the subdivision or local taxing district in which
123 the relevant tax return is filed.

124 2. Any taxpayer having income from business activity which is taxable
125 both within and without this state, other than activity as a financial organization
126 or public utility or the rendering of purely personal services by an individual,
127 shall allocate and apportion his net income as provided in this article. If a
128 taxpayer has income from business activity as a public utility but derives the
129 greater percentage of his income from activities subject to this article, the
130 taxpayer may elect to allocate and apportion his entire net income as provided in
131 this article.

132 3. For purposes of allocation and apportionment of income under this
133 article, a taxpayer is taxable in another state if

134 (1) in that state he is subject to a net income tax, a franchise tax
135 measured by net income, a franchise tax for the privilege of doing business, or a

136 corporate stock tax; or

137 (2) that state has jurisdiction to subject the taxpayer to a net income tax
138 regardless of whether, in fact, the state does or does not.

139 4. Rents and royalties from real or tangible personal property, capital
140 gains, interest, dividends or patent or copyright royalties, to the extent that they
141 constitute nonbusiness income, shall be allocated as provided in paragraphs 5
142 through 8 of this article.

143 5. (1) Net rents and royalties from real property located in this state are
144 allocable to this state.

145 (2) Net rents and royalties from tangible personal property are allocable
146 to this state:

147 (a) if and to the extent that the property is utilized in this state; or

148 (b) in their entirety if the taxpayer's commercial domicile is in this state
149 and the taxpayer is not organized under the laws of or taxable in the state in
150 which the property is utilized.

151 (3) The extent of utilization of tangible personal property in a state is
152 determined by multiplying the rents and royalties by a fraction, the numerator
153 of which is the number of days of physical location of the property in the state
154 during the rental or royalty period in the taxable year and the denominator of
155 which is the number of days of physical location of the property everywhere
156 during all rental or royalty periods in the taxable year. If the physical location
157 of the property during the rental or royalty period is unknown or unascertainable
158 by the taxpayer, tangible personal property is utilized in the state in which the
159 property was located at the time the rental or royalty payer obtained possession.

160 6. (1) Capital gains and losses from sales of real property located in this
161 state are allocable to this state.

162 (2) Capital gains and losses from sales of tangible personal property are
163 allocable to this state if

164 (a) the property had a situs in this state at the time of the sale; or

165 (b) the taxpayer's commercial domicile is in this state and the taxpayer
166 is not taxable in the state in which the property had a situs.

167 (3) Capital gains and losses from sales of intangible personal property are
168 allocable to this state if the taxpayer's commercial domicile is in this state.

169 7. Interest and dividends are allocable to this state if the taxpayer's
170 commercial domicile is in this state.

171 8. (1) Patent and copyright royalties are allocable to this state:

172 (a) if and to the extent that the patent or copyright is utilized by the
173 payer in this state; or

174 (b) if and to the extent that the patent copyright is utilized by the payer
175 in a state in which the taxpayer is not taxable and the taxpayer's commercial
176 domicile is in this state.

177 (2) A patent is utilized in a state to the extent that it is employed in
178 production, fabrication, manufacturing, or other processing in the state or to the
179 extent that a patented product is produced in the state. If the basis of receipts
180 from patent royalties does not permit allocation to states or if the accounting
181 procedures do not reflect states of utilization, the patent is utilized in the state
182 in which the taxpayer's commercial domicile is located.

183 (3) A copyright is utilized in a state to the extent that printing or other
184 publication originates in the state. If the basis of receipts from copyright
185 royalties does not permit allocation to states or if the accounting procedures do
186 not reflect states of utilization, the copyright is utilized in the state in which the
187 taxpayer's commercial domicile is located.

188 9. All business income shall be apportioned to this state by multiplying
189 the income by a fraction, the numerator of which is the property factor plus the
190 payroll factor plus the sales factor, and the denominator of which is three.

191 10. The property factor is a fraction, the numerator of which is the
192 average value of the taxpayer's real and tangible personal property owned or
193 rented and used in this state during the tax period and the denominator of which
194 is the average value of all the taxpayer's real and tangible personal property
195 owned or rented and used during the tax period.

196 11. Property owned by the taxpayer is valued at its original
197 cost. Property rented by the taxpayer is valued at eight times the net annual
198 rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer
199 less any annual rental rate received by the taxpayer from subrentals.

200 12. The average value of property shall be determined by averaging the
201 values at the beginning and ending of the tax period but the tax administrator
202 may require the averaging of monthly values during the tax period if reasonably
203 required to reflect properly the average value of the taxpayer's property.

204 13. The payroll factor is a fraction, the numerator of which is the total
205 amount paid in this state during the tax period by the taxpayer for compensation
206 and the denominator of which is the total compensation paid everywhere during
207 the tax period.

208 14. Compensation is paid in this state if:

209 (1) the individual's service is performed entirely within the state;

210 (2) the individual's service is performed both within and without the state,
211 but the service performed without the state is incidental to the individual's
212 service within the state; or

213 (3) some of the service is performed in the state; and

214 (a) the base of operations or, if there is no base of operations, the place
215 from which the service is directed or controlled is in the state; or

216 (b) the base of operations or the place from which the service is directed
217 or controlled is not in any state in which some part of the service is performed,
218 but the individual's residence is in this state.

219 15. The sales factor is a fraction, the numerator of which is the total sales
220 of the taxpayer in this state during the tax period, and the denominator of which
221 is the total sales of the taxpayer everywhere during the tax period.

222 16. Sales of tangible personal property are in this state if:

223 (1) the property is delivered or shipped to a purchaser, other than the
224 United States government, within this state regardless of the f.o.b. point or other
225 conditions of the sale; or

226 (2) the property is shipped from an office, store, warehouse, factory, or
227 other place of storage in this state; and

228 (a) the purchaser is the United States government; or

229 (b) the taxpayer is not taxable in the state of the purchaser.

230 17. Sales, other than sales of tangible personal property, are in this state
231 if:

232 (1) the income-producing activity is performed in this state; or

233 (2) the income-producing activity is performed both in and outside this
234 state and a greater proportion of the income-producing activity is performed in
235 this state than in any other state, based on costs of performance.

236 18. If the allocation and apportionment provisions of this article do not
237 fairly represent the extent of the taxpayer's business activity in this state, the
238 taxpayer may petition for or the tax administrator may require, in respect to all
239 or any part of the taxpayer's business activity, if reasonable:

240 (1) separate accounting;

241 (2) the exclusion of any one or more of the factors;

242 (3) the inclusion of one or more additional factors which will fairly
243 represent the taxpayer's business activity in this state; or

244 (4) the employment of any other method to effectuate an equitable
245 allocation and apportionment of the taxpayer's income.

246 Article V

247 1. Each purchaser liable for a use tax on tangible personal property shall
248 be entitled to full credit for the combined amount or amounts of legally imposed
249 sales or use taxes paid by him with respect to the same property to another state
250 and any subdivision thereof. The credit shall be applied first against the amount
251 of any use tax due the state, and any unused portion of the credit shall then be
252 applied against the amount of any use tax due a subdivision.

253 2. Whenever a vendor receives and accepts in good faith from a purchaser
254 a resale or other exemption certificate or other written evidence of exemption
255 authorized by the appropriate state or subdivision taxing authority, the vendor
256 shall be relieved of liability for a sales or use tax with respect to the transaction.

257 Article VI

258 1. (a) The multistate tax commission is hereby established. It shall be
259 composed of one "member" from each party state who shall be the head of the
260 state agency charged with the administration of the types of taxes to which this
261 compact applies. If there is more than one such agency the state shall provide
262 by law for the selection of the commission member from the heads of the relevant
263 agencies. State law may provide that a member of the commission be represented
264 by an alternate but only if there is on file with the commission written
265 notification of the designation and identity of the alternate. The attorney general
266 of each party state or his designee, or other counsel if the laws of the party state
267 specifically provide, shall be entitled to attend the meetings of the commission,
268 but shall not vote. Such attorneys general, designees, or other counsel shall
269 receive all notices of meetings required under paragraph 1 (e) of this article.

270 (b) Each party state shall provide by law for the selection of
271 representatives from its subdivisions affected by this compact to consult with the
272 commission member from that state.

273 (c) Each member shall be entitled to one vote. The commission shall not
274 act unless a majority of the members are present, and no action shall be binding
275 unless approved by a majority of the total number of members.

276 (d) The commission shall adopt an official seal to be used as it may
277 provide.

278 (e) The commission shall hold an annual meeting and such other regular
279 meetings as its bylaws may provide and such special meetings as its executive

280 committee may determine. The commission bylaws shall specify the dates of the
281 annual and any other regular meetings, and shall provide for the giving of notice
282 of annual, regular and special meetings. Notices of special meetings shall include
283 the reasons therefor and an agenda of the items to be considered.

284 (f) The commission shall elect annually, from among its members, a
285 chairman, a vice chairman and a treasurer. The commission shall appoint an
286 executive director who shall serve at its pleasure, and it shall fix his duties and
287 compensation. The executive director shall be secretary of the commission. The
288 commission shall make provision for the bonding of such of its officers and
289 employees as it may deem appropriate.

290 (g) Irrespective of the civil service, personnel or other merit system laws
291 of any party state, the executive director shall appoint or discharge such
292 personnel as may be necessary for the performance of the functions of the
293 commission and shall fix their duties and compensation. The commission bylaws
294 shall provide for personnel policies and programs.

295 (h) The commission may borrow, accept or contract for the services of
296 personnel from any state, the United States, or any other governmental entity.

297 (i) The commission may accept for any of its purposes and functions any
298 and all donations and grants of money, equipment, supplies, materials and
299 services, conditional or otherwise, from any governmental entity, and may utilize
300 and dispose of the same.

301 (j) The commission may establish one or more offices for the transacting
302 of its business.

303 (k) The commission shall adopt bylaws for the conduct of its
304 business. The commission shall publish its bylaws in convenient form, and shall
305 file a copy of the bylaws and any amendments thereto with the appropriate
306 agency or officer in each of the party states.

307 (l) The commission annually shall make to the governor and legislature
308 of each party state a report covering its activities for the preceding year. Any
309 donation or grant accepted by the commission or services borrowed shall be
310 reported in the annual report of the commission, and shall include the nature,
311 amount and conditions, if any, of the donation, gift, grant or services borrowed
312 and the identity of the donor or lender. The commission may make additional
313 reports as it may deem desirable.

314 2. (a) To assist in the conduct of its business when the full commission
315 is not meeting, the commission shall have an executive committee of seven

316 members, including the chairman, vice chairman, treasurer and four other
317 members elected annually by the commission. The executive committee, subject
318 to the provisions of this compact and consistent with the policies of the
319 commission, shall function as provided in the bylaws of the commission.

320 (b) The commission may establish advisory and technical committees,
321 membership on which may include private persons and public officials, in
322 furthering any of its activities. Such committees may consider any matter of
323 concern to the commission, including problems of special interest to any party
324 state and problems dealing with particular types of taxes.

325 (c) The commission may establish such additional committees as its
326 bylaws may provide.

327 3. In addition to powers conferred elsewhere in this compact, the
328 commission shall have power to:

329 (a) Study state and local tax systems and particular types of state and
330 local taxes.

331 (b) Develop and recommend proposals for an increase in uniformity or
332 compatibility of state and local tax laws with a view toward encouraging the
333 simplification and improvement of state and local tax law and administration.

334 (c) Compile and publish information as in its judgment would assist the
335 party states in implementation of the compact and taxpayers in complying with
336 state and local tax laws.

337 (d) Do all things necessary and incidental to the administration of its
338 functions pursuant to this compact.

339 4. (a) The commission shall submit to the governor or designated officer
340 or officers of each party state a budget of its estimated expenditures for such
341 period as may be required by the laws of that state for presentation to the
342 legislature thereof.

343 (b) Each of the commission's budgets of estimated expenditures shall
344 contain specific recommendations of the amounts to be appropriated by each of
345 the party states. The total amount of appropriations requested under any such
346 budget shall be apportioned among the party states as follows: one-tenth in equal
347 shares; and the remainder in proportion to the amount of revenue collected by
348 each party state and its subdivisions from income taxes, capital stock taxes, gross
349 receipts taxes, sales and use taxes. In determining such amounts, the
350 commission shall employ such available public sources of information as, in its
351 judgment, present the most equitable and accurate comparisons among the party

352 states. Each of the commission's budgets of estimated expenditures and requests
353 for appropriations shall indicate the sources used in obtaining information
354 employed in applying the formula contained in this paragraph.

355 (c) The commission shall not pledge the credit of any party state. The
356 commission may meet any of its obligations in whole or in part with funds
357 available to it under paragraph 1 (i) of this article; provided that the commission
358 takes specific action setting aside such funds prior to incurring any obligation to
359 be met in whole or in part in such manner. Except where the commission makes
360 use of funds available to it under paragraph 1 (i), the commission shall not incur
361 any obligation prior to the allotment of funds by the party states adequate to
362 meet the same.

363 (d) The commission shall keep accurate accounts of all receipts and
364 disbursements. The receipts and disbursements of the commission shall be
365 subject to the audit and accounting procedures established under its bylaws. All
366 receipts and disbursements of funds handled by the commission shall be audited
367 yearly by a certified or licensed public accountant and the report of the audit
368 shall be included in and become part of the annual report of the commission.

369 (e) The accounts of the commission shall be open at any reasonable time
370 for inspection by duly constituted officers of the party states and by any persons
371 authorized by the commission.

372 (f) Nothing contained in this article shall be construed to prevent
373 commission compliance with laws relating to audit or inspection of accounts by
374 or on behalf of any government contributing to the support of the commission.

375 Article VII

376 1. Whenever any two or more party states, or subdivisions of party states,
377 have uniform or similar provisions of law relating to an income tax, capital stock
378 tax, gross receipts tax, sales or use tax, the commission may adopt uniform
379 regulations for any phase of the administration of such law, including assertion
380 of jurisdiction to tax, or prescribing uniform tax forms. The commission may also
381 act with respect to the provisions of article IV of this compact.

382 2. Prior to the adoption of any regulation, the commission shall:

383 (a) As provided in its bylaws, hold at least one public hearing on due
384 notice to all affected party states and subdivisions thereof and to all taxpayers
385 and other persons who have made timely request of the commission for advance
386 notice of its regulation-making proceedings.

387 (b) Afford all affected party states and subdivisions and interested persons

388 an opportunity to submit relevant written data and views, which shall be
389 considered fully by the commission.

390 3. The commission shall submit any regulations adopted by it to the
391 appropriate officials of all party states and subdivisions to which they might
392 apply. Each such state and subdivision shall consider any such regulation for
393 adoption in accordance with its own laws and procedures.

394 Article VIII

395 1. This article shall be in force only in those party states that specifically
396 provide therefor by statute.

397 2. Any party state or subdivision thereof desiring to make or participate
398 in an audit of any accounts, books, papers, records or other documents may
399 request the commission to perform the audit on its behalf. In responding to the
400 request, the commission shall have access to and may examine, at any reasonable
401 time, such accounts, books, papers, records, and other documents and any
402 relevant property or stock of merchandise. The commission may enter into
403 agreements with party states or their subdivisions for assistance in performance
404 of the audit. The commission shall make charges, to be paid by the state or local
405 government or governments for which it performs the service, for any audits
406 performed by it in order to reimburse itself for the actual costs incurred in
407 making the audit.

408 3. The commission may require the attendance of any person within the
409 state where it is conducting an audit or part thereof at a time and place fixed by
410 it within such state for the purpose of giving testimony with respect to any
411 account, book, paper, document, other record, property or stock of merchandise
412 being examined in connection with the audit. If the person is not within the
413 jurisdiction, he may be required to attend for such purpose at any time and place
414 fixed by the commission within the state of which he is a resident; provided that
415 such state has adopted this article.

416 4. The commission may apply to any court having power to issue
417 compulsory process for orders in aid of its powers and responsibilities pursuant
418 to this article and any and all such courts shall have jurisdiction to issue such
419 orders. Failure of any person to obey any such order shall be punishable as
420 contempt of the issuing court. If the party or subject matter on account of which
421 the commission seeks an order is within the jurisdiction of the court to which
422 application is made, such application may be to a court in the state or subdivision
423 on behalf of which the audit is being made or a court in the state in which the

424 object of the order being sought is situated. The provisions of this paragraph
425 apply only to courts in a state that has adopted this article.

426 5. The commission may decline to perform any audit requested if it finds
427 that its available personnel or other resources are insufficient for the purpose or
428 that, in the terms requested, the audit is impracticable of satisfactory
429 performance. If the commission, on the basis of its experience, has reason to
430 believe that an audit of a particular taxpayer, either at a particular time or on
431 a particular schedule, would be of interest to a number of party states or their
432 subdivisions, it may offer to make the audit or audits, the offer to be contingent
433 on sufficient participation therein as determined by the commission.

6. Information obtained by any audit pursuant to this article shall be confidential and available only for tax purposes to party states, their subdivisions or the United States. Availability of information shall be in accordance with the laws of the states or subdivisions on whose account the commission performs the audit, and only through the appropriate agencies or officers of such states or subdivisions. Nothing in this article shall be construed to require any taxpayer to keep records for any period not otherwise required by law.

7. Other arrangements made or authorized pursuant to law for cooperative audit by or on behalf of the party states or any of their subdivisions are not superseded or invalidated by this article.

8. In no event shall the commission make any charge against a taxpayer
for an audit.

9. As used in this article, "tax" in addition to the meaning ascribed to it in article II, means any tax or license fee imposed in whole or in part for revenue purposes.

449 Article IX

1. Whenever the commission finds a need for settling disputes concerning apportionments and allocations by arbitration, it may adopt a regulation placing this article in effect, notwithstanding the provisions of article VII.

2. The commission shall select and maintain an arbitration panel composed of officers and employees of state and local governments and private persons who shall be knowledgeable and experienced in matters of tax law and administration.

3. Whenever a taxpayer who has elected to employ article IV, or whenever the laws of the party state or subdivision thereof are substantially identical with the relevant provisions of article IV, the taxpayer, by written notice to the

460 commission and to each party state or subdivision thereof that would be affected,
461 may secure arbitration of an apportionment or allocation, if he is dissatisfied with
462 the final administrative determination of the tax agency of the state or
463 subdivision with respect thereto on the ground that it would subject him to
464 double or multiple taxation by two or more party states or subdivisions
465 thereof. Each party state and subdivision thereof hereby consents to the
466 arbitration as provided herein, and agrees to be bound thereby.

467 4. The arbitration board shall be composed of one person selected by the
468 taxpayer, one by the agency or agencies involved, and one member of the
469 commission's arbitration panel. If the agencies involved are unable to agree on
470 the person to be selected by them, such person shall be selected by lot from the
471 total membership of the arbitration panel. The two persons selected for the board
472 in the manner provided by the foregoing provisions of this paragraph shall jointly
473 select the third member of the board. If they are unable to agree on the selection,
474 the third member shall be selected by lot from among the total membership of the
475 arbitration panel. No member of a board selected by lot shall be qualified to
476 serve if he is an officer or employee or is otherwise affiliated with any party to
477 the arbitration proceeding. Residence within the jurisdiction of a party to the
478 arbitration proceeding shall not constitute affiliation within the meaning of this
479 paragraph.

480 5. The board may sit in any state or subdivision party to the proceeding,
481 in the state of the taxpayer's incorporation, residence or domicile, in any state
482 where the taxpayer does business, or in any place that it finds most appropriate
483 for gaining access to evidence relevant to the matter before it.

484 6. The board shall give due notice of the times and places of its
485 hearings. The parties shall be entitled to be heard, to present evidence, and to
486 examine and cross-examine witnesses. The board shall act by majority vote.

487 7. The board shall have power to administer oaths, take testimony,
488 subpoena and require the attendance of witnesses and the production of accounts,
489 books, papers, records, and other documents, and issue commissions to take
490 testimony. Subpoenas may be signed by any member of the board. In case of
491 failure to obey a subpoena, and upon application by the board, any judge of a
492 court of competent jurisdiction of the state in which the board is sitting or in
493 which the person to whom the subpoena is directed may be found may make an
494 order requiring compliance with the subpoena, and the court may punish failure
495 to obey the order as a contempt. The provisions of this paragraph apply only in

496 states that have adopted this article.

497 8. Unless the parties otherwise agree the expenses and other costs of the
498 arbitration shall be assessed and allocated among the parties by the board in
499 such manner as it may determine. The commission shall fix a schedule of
500 compensation for members of arbitration boards and of other allowable expenses
501 and costs. No officer or employee of a state or local government who serves as a
502 member of a board shall be entitled to compensation therefor unless he is
503 required on account of his service to forego the regular compensation attaching
504 to his public employment, but any such board member shall be entitled to
505 expenses.

9. The board shall determine the disputed apportionment or allocation and any matters necessary thereto. The determinations of the board shall be final for purposes of making the apportionment or allocation, but for no other purpose.

510 10. The board shall file with the commission and with each tax agency
511 represented in the proceeding: the determination of the board; the board's
512 written statement of its reasons therefor; the record of the board's proceedings;
513 and any other documents required by the arbitration rules of the commission to
514 be filed.

11. The commission shall publish the determinations of boards together
with the statements of the reasons therefor.

12. The commission shall adopt and publish rules of procedure and practice and shall file a copy of such rules and of any amendment thereto with the appropriate agency or officer in each of the party states.

520 13. Nothing contained herein shall prevent at any time a written
521 compromise of any matter or matters in dispute, if otherwise lawful, by the
522 parties to the arbitration proceeding.

523 Article X

1. This compact shall enter into force when enacted into law by any seven states. Thereafter, this compact shall become effective as to any other state upon its enactment thereof. The commission shall arrange for notification of all party states whenever there is a new enactment of the compact.

2. Any party state may withdraw from this compact by enacting a statute repealing the same. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

531 3. No proceeding commenced before an arbitration board prior to the

532 withdrawal of a state and to which the withdrawing state or any subdivision
533 thereof is a party shall be discontinued or terminated by the withdrawal, nor
534 shall the board thereby lose jurisdiction over any of the parties to the proceeding
535 necessary to make a binding determination therein.

536 Article XI

537 Nothing in this compact shall be construed to:

538 (a) Affect the power of any state or subdivision thereof to fix rates of
539 taxation, except that a party state shall be obligated to implement article III 2
540 of this compact.

541 (b) Apply to any tax or fixed fee imposed for the registration of a motor
542 vehicle or any tax on motor fuel, other than a sales tax; provided that the
543 definition of "tax" in article VIII 9 may apply for the purposes of that article and
544 the commission's powers of study and recommendation pursuant to article VI 3
545 may apply.

546 (c) Withdraw or limit the jurisdiction of any state or local court or
547 administrative officer or body with respect to any person, corporation or other
548 entity or subject matter, except to the extent that such jurisdiction is expressly
549 conferred by or pursuant to this compact upon another agency or body.

550 (d) Supersede or limit the jurisdiction of any court of the United States.

551 Article XII

552 This compact shall be liberally construed so as to effectuate the purposes
553 thereof. The provisions of this compact shall be severable and if any phrase,
554 clause, sentence or provision of this compact is declared to be contrary to the
555 constitution of any state or of the United States or the applicability thereof to any
556 government, agency, person or circumstance is held invalid, the validity of the
557 remainder of this compact and the applicability thereof to any government,
558 agency, person or circumstance shall not be affected thereby. If this compact
559 shall be held contrary to the constitution of any state participating therein, the
560 compact shall remain in full force and effect as to the remaining party states and
561 in full force and effect as to the state affected as to all severable matters.

66.620. 1. All county sales taxes collected by the director of revenue
2 under sections 66.600 to 66.630 on behalf of any county[, less one percent for cost
3 of collection which shall be deposited in the state's general revenue fund after
4 payment of premiums for surety bonds as provided in section 32.087,] shall be
5 deposited in a special trust fund, which is hereby created, to be known as the
6 "County Sales Tax Trust Fund". [The moneys in the county sales tax trust fund

7 shall not be deemed to be state funds and shall not be commingled with any funds
8 of the state.] The director of revenue shall keep accurate records of the amount
9 of money in the trust fund which was collected in each county imposing a county
10 sales tax, and the records shall be open to the inspection of officers of the county
11 and the public. Not later than the tenth day of each month, the director of
12 revenue shall distribute all moneys deposited in the trust fund during the
13 preceding month to the county which levied the tax; such funds shall be deposited
14 with the treasurer of the county and all expenditures of funds arising from the
15 county sales tax trust fund shall be by an appropriation act to be enacted by the
16 legislative council of the county, and to the cities, towns and villages located
17 wholly or partly within the county which levied the tax in the manner as set forth
18 in sections 66.600 to 66.630.

19 2. In any county not adopting an additional sales tax and alternate
20 distribution system as provided in section 67.581, for the purposes of distributing
21 the county sales tax, the county shall be divided into two groups, "Group A" and
22 "Group B". Group A shall consist of all cities, towns and villages which are
23 located wholly or partly within the county which levied the tax and which had a
24 city sales tax in effect under the provisions of sections 94.500 to 94.550 on the
25 day prior to the adoption of the county sales tax ordinance, except that beginning
26 January 1, 1980, group A shall consist of all cities, towns and villages which are
27 located wholly or partly within the county which levied the tax and which had a
28 city sales tax approved by the voters of such city under the provisions of sections
29 94.500 to 94.550 on the day prior to the effective date of the county sales tax. For
30 the purposes of determining the location of consummation of sales for distribution
31 of funds to cities, towns and villages in group A, the boundaries of any such city,
32 town or village shall be the boundary of that city, town or village as it existed on
33 March 19, 1984. Group B shall consist of all cities, towns and villages which are
34 located wholly or partly within the county which levied the tax and which did not
35 have a city sales tax in effect under the provisions of sections 94.500 to 94.550 on
36 the day prior to the adoption of the county sales tax ordinance, and shall also
37 include all unincorporated areas of the county which levied the tax; except that,
38 beginning January 1, 1980, group B shall consist of all cities, towns and villages
39 which are located wholly or partly within the county which levied the tax and
40 which did not have a city sales tax approved by the voters of such city under the
41 provisions of sections 94.500 to 94.550 on the day prior to the effective date of the
42 county sales tax and shall also include all unincorporated areas of the county

43 which levied the tax.

44 3. Until January 1, 1994, the director of revenue shall distribute to the
45 cities, towns and villages in group A the taxes based on the location in which the
46 sales were deemed consummated under section 66.630 and subsection 12 of
47 section 32.087. Except for distribution governed by section 66.630, after
48 deducting the distribution to the cities, towns and villages in group A, the
49 director of revenue shall distribute the remaining funds in the county sales tax
50 trust fund to the cities, towns and villages and the county in group B as follows:
51 to the county which levied the tax, a percentage of the distributable revenue
52 equal to the percentage ratio that the population of the unincorporated areas of
53 the county bears to the total population of group B; and to each city, town or
54 village in group B located wholly within the taxing county, a percentage of the
55 distributable revenue equal to the percentage ratio that the population of such
56 city, town or village bears to the total population of group B; and to each city,
57 town or village located partly within the taxing county, a percentage of the
58 distributable revenue equal to the percentage ratio that the population of that
59 part of the city, town or village located within the taxing county bears to the total
60 population of group B.

61 4. From January 1, 1994, until December 31, 2016, the director of revenue
62 shall distribute to the cities, towns and villages in group A a portion of the taxes
63 based on the location in which the sales were deemed consummated under section
64 66.630 and subsection 12 of section 32.087 in accordance with the formula
65 described in this subsection and in subsection 6. After deducting the distribution
66 to the cities, towns and villages in group A, the director of revenue shall
67 distribute funds in the county sales tax trust fund to the cities, towns and
68 villages and the county in group B as follows: to the county which levied the tax,
69 ten percent multiplied by the percentage of the population of unincorporated
70 county which has been annexed or incorporated since April 1, 1993, multiplied by
71 the total of all sales tax revenues countywide, and a percentage of the remaining
72 distributable revenue equal to the percentage ratio that the population of
73 unincorporated areas of the county bears to the total population of group B; and
74 to each city, town or village in group B located wholly within the taxing county,
75 a percentage of the remaining distributable revenue equal to the percentage ratio
76 that the population of such city, town or village bears to the total population of
77 group B; and to each city, town or village located partly within the taxing county,
78 a percentage of the remaining distributable revenue equal to the percentage ratio

79 that the population of that part of the city, town or village located within the
80 taxing county bears to the total population of group B.

81 5. (1) From and after January 1, 2017, in each year in which the total
82 revenues from the county sales tax collected under sections 66.600 to 66.630 in
83 the previous calendar year are less than or equal to the amount of such revenues
84 which were collected in the calendar year 2014, the director of revenue shall
85 distribute to the cities, towns, and villages in group A and the cities, towns, and
86 villages, and the county in group B, the amounts required to be distributed under
87 the formula described in subsection 4 and in subsection 6 of this section. From
88 and after January 1, 2017, in each year in which the total revenues from the
89 county sales tax collected under sections 66.600 to 66.630 in the previous
90 calendar year is greater than the amount of such revenues which were collected
91 in the calendar year 2014, the director of revenue shall distribute to the cities,
92 towns, and villages in group A a portion of the taxes based on the location in
93 which the sales were deemed consummated under section 66.630 and subsection
94 12 of section 32.087, in accordance with the formula described in this subsection
95 and in subsection 6. After deducting the distribution to the cities, towns, and
96 villages in group A, the director of revenue shall, subject to the limitation
97 described in subdivision (2) of this subsection, distribute funds in the county sales
98 tax trust fund to the cities, towns, and villages, and the county in group B as
99 follows: to the county which levied the tax, ten percent multiplied by the
100 percentage of the population of unincorporated county which has been annexed
101 or incorporated since April 1, 1993, multiplied by the total of all sales tax
102 revenues countywide, and a percentage of the remaining distributable revenue
103 equal to the percentage ratio that the population of unincorporated areas of the
104 county bears to the total population of group B as adjusted such that no city,
105 town, or village in group B shall receive a distribution that is less than fifty
106 percent of the amount of taxes generated within such city, town, or village based
107 on the location in which the sales were deemed consummated under section
108 66.630 and subsection 12 of section 32.087; and to each city, town, or village in
109 group B located wholly within the taxing county, a percentage of the remaining
110 distributable revenue equal to the percentage ratio that the population of such
111 city, town, or village bears to the total population of group B, as adjusted such
112 that no city, town, or village in group B shall receive a distribution that is less
113 than fifty percent of the amount of taxes generated within such city, town, or
114 village based on the location in which the sales were deemed consummated under

115 section 66.630 and subsection 12 of section 32.087; and to each city, town, or
116 village located partly within the taxing county, a percentage of the remaining
117 distributable revenue equal to the percentage ratio that the population of that
118 part of the city, town, or village located within the taxing county bears to the
119 total population of group B, as adjusted such that no city, town, or village in
120 group B shall receive a distribution that is less than fifty percent of the amount
121 of taxes generated within such city, town, or village based on the location in
122 which the sales were deemed consummated under section 66.630 and subsection
123 12 of section 32.087.

124 (2) For purposes of making any adjustment required by this subsection,
125 the director of revenue shall, prior to any distribution to the county or to each
126 city, town, or village in group B located wholly or partly within the taxing county,
127 identify each city, town, or village in group B located wholly or partly within the
128 taxing county that would receive a distribution that is less than fifty percent of
129 the amount of taxes generated within such city, town, or village based on the
130 location in which the sales were deemed consummated under section 66.630 and
131 subsection 12 of section 32.087 if no adjustments were made and calculate the
132 difference between the amount that the distribution to each such city, town, or
133 village would have been without any adjustment and the amount that equals fifty
134 percent of the amount of taxes generated within such city, town, or village based
135 on the location in which the sales were deemed consummated under section
136 66.630 and subsection 12 of section 32.087. Thereafter, the director of revenue
137 shall determine the amount of any adjustment under this subsection as follows:

138 (a) If the aggregate amount of the difference calculated in accordance with
139 this subsection is less than or equal to the aggregate increase in the remaining
140 distributable revenue for the applicable period in the current calendar year over
141 the remaining distributable revenue for the corresponding period in the calendar
142 year 2014, the director of revenue shall deduct the amount of such difference from
143 the remaining distributable revenue and distribute an allocable portion of the
144 amount of such difference to each city, town, or village that would otherwise have
145 received a distribution that is less than fifty percent of the amount of taxes
146 generated within such city, town, or village based on the location in which the
147 sales were deemed consummated under section 66.630 and subsection 12 of
148 section 32.087 if no adjustment were made, such that each such city, town, or
149 village receives a distribution that is equal to fifty percent of the amount of taxes
150 generated within such city, town, or village based on the location in which the

151 sales were deemed consummated under section 66.630 and subsection 12 of
152 section 32.087;

153 (b) If, however, the aggregate amount of the difference calculated in
154 accordance with this subsection is greater than the aggregate increase in the
155 remaining distributable revenue for the applicable period in the current calendar
156 year over the remaining distributable revenue for the corresponding period in the
157 calendar year 2014, the director of revenue shall deduct from the remaining
158 distributable revenue an amount equal to the difference between the remaining
159 distributable revenue for the applicable period in the current calendar year and
160 the remaining distributable revenue for the corresponding period in the calendar
161 year 2014 and distribute an allocable portion of the amount of such difference to
162 each city, town, or village that would otherwise have received a distribution that
163 is less than fifty percent of the amount of taxes generated within such city, town,
164 or village based on the location in which the sales were deemed consummated
165 under section 66.630 and subsection 12 of section 32.087 if no adjustment were
166 made, such that each such city, town, or village receives a distribution that
167 includes an adjustment that is proportionate to the amount of the adjustment
168 that would otherwise have been made if such adjustment were calculated in
169 accordance with paragraph (a) of this subdivision;

170 (c) After determining the amount of the adjustment and making the
171 allocation in accordance with paragraph (a) or (b) of this subdivision, as
172 applicable, the director of revenue shall thereafter distribute the remaining
173 distributable revenue, as adjusted, to the county and to each city, town, or village
174 in group B located wholly or partly within the taxing county in the manner
175 provided in this subsection.

176 (3) For purposes of this subsection, if a city, town, or village is partly in
177 group A and partly in group B, the director of revenue shall calculate fifty percent
178 of the amount of taxes generated within such city, town, or village based on the
179 location in which the sales were deemed consummated under section 66.630 and
180 subsection 12 of section 32.087 by multiplying fifty percent by the amount of all
181 county sales taxes collected by the director of revenue under sections 66.600 to
182 66.630, less one percent for cost of collection, that are generated within such city,
183 town, or village based on the location in which the sales were deemed
184 consummated under section 66.630 and subsection 12 of section 32.087,
185 regardless of whether such taxes are deemed consummated in group A or group
186 B.

187 6. (1) For purposes of administering the distribution formula of
188 subsections 4 and 5 of this section, the revenues arising each year from sales
189 occurring within each group A city, town or village shall be distributed as follows:
190 until such revenues reach the adjusted county average, as hereinafter defined,
191 there shall be distributed to the city, town or village all of such revenues reduced
192 by the percentage which is equal to ten percent multiplied by the percentage of
193 the population of unincorporated county which has been annexed or incorporated
194 after April 1, 1993; and once revenues exceed the adjusted county average, total
195 revenues shall be shared in accordance with the redistribution formula as defined
196 in this subsection.

197 (2) For purposes of this subsection, the "adjusted county average" is the
198 per capita countywide average of all sales tax distributions during the prior
199 calendar year reduced by the percentage which is equal to ten percent multiplied
200 by the percentage of the population of unincorporated county which has been
201 annexed or incorporated after April 1, 1993; the redistribution formula is as
202 follows: during 1994, each group A city, town and village shall receive that
203 portion of the revenues arising from sales occurring within the municipality that
204 remains after deducting therefrom an amount equal to the cumulative sales tax
205 revenues arising from sales within the municipality multiplied by the percentage
206 which is the sum of ten percent multiplied by the percentage of the population of
207 unincorporated county which has been annexed or incorporated after April 1,
208 1993, and the percentage, if greater than zero, equal to the product of 8.5
209 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the
210 total of cumulative per capita sales taxes arising from sales within the
211 municipality less the adjusted county average. During 1995, each group A city,
212 town and village shall receive that portion of the revenues arising from sales
213 occurring within the municipality that remains after deducting therefrom an
214 amount equal to the cumulative sales tax revenues arising from sales within the
215 municipality multiplied by the percentage which is the sum of ten percent
216 multiplied by the percentage of the population of unincorporated county which
217 has been annexed or incorporated after April 1, 1993, and the percentage, if
218 greater than zero, equal to the product of seventeen multiplied by the logarithm
219 (to base 10) of the product of 0.035 multiplied by the total of cumulative per
220 capita sales taxes arising from sales within the municipality less the adjusted
221 county average. From January 1, 1996, until January 1, 2000, each group A city,
222 town and village shall receive that portion of the revenues arising from sales

223 occurring within the municipality that remains after deducting therefrom an
224 amount equal to the cumulative sales tax revenues arising from sales within the
225 municipality multiplied by the percentage which is the sum of ten percent
226 multiplied by the percentage of the population of unincorporated county which
227 has been annexed or incorporated after April 1, 1993, and the percentage, if
228 greater than zero, equal to the product of 25.5 multiplied by the logarithm (to
229 base 10) of the product of 0.035 multiplied by the total of cumulative per capita
230 sales taxes arising from sales within the municipality less the adjusted county
231 average. From and after January 1, 2000, the distribution formula covering the
232 period from January 1, 1996, until January 1, 2000, shall continue to apply,
233 except that the percentage computed for sales arising within the municipalities
234 shall be not less than 7.5 percent for municipalities within which sales tax
235 revenues exceed the adjusted county average, nor less than 12.5 percent for
236 municipalities within which sales tax revenues exceed the adjusted county
237 average by at least twenty-five percent.

238 (3) For purposes of applying the redistribution formula to a municipality
239 which is partly within the county levying the tax, the distribution shall be
240 calculated alternately for the municipality as a whole, except that the factor for
241 annexed portion of the county shall not be applied to the portion of the
242 municipality which is not within the county levying the tax, and for the portion
243 of the municipality within the county levying the tax. Whichever calculation
244 results in the larger distribution to the municipality shall be used.

245 (4) Notwithstanding any other provision of this section, the fifty percent
246 of additional sales taxes as described in section 99.845 arising from economic
247 activities within the area of a redevelopment project established after July 12,
248 1990, pursuant to sections 99.800 to 99.865, while tax increment financing
249 remains in effect shall be deducted from all calculations of countywide sales
250 taxes, shall be distributed directly to the municipality involved, and shall be
251 disregarded in calculating the amounts distributed or distributable to the
252 municipality. Further, any agreement, contract or covenant entered into prior to
253 July 12, 1990, between a municipality and any other political subdivision which
254 provides for an appropriation of incremental sales tax revenues to the special
255 allocation fund of a tax increment financing project while tax increment financing
256 remains in effect shall continue to be in full force and effect and the sales taxes
257 so appropriated shall be deducted from all calculations of countywide sales taxes,
258 shall be distributed directly to the municipality involved, and shall be

disregarded in calculating the amounts distributed or distributable to the municipality. In addition, and notwithstanding any other provision of this chapter to the contrary, economic development funds shall be distributed in full to the municipality in which the sales producing them were deemed consummated. Additionally, economic development funds shall be deducted from all calculations of countywide sales taxes and shall be disregarded in calculating the amounts distributed or distributable to the municipality. As used in this subdivision, the term "economic development funds" means the amount of sales tax revenue generated in any fiscal year by projects authorized pursuant to chapter 99 or chapter 100 in connection with which such sales tax revenue was pledged as security for, or was guaranteed by a developer to be sufficient to pay, outstanding obligations under any agreement authorized by chapter 100, entered into or adopted prior to September 1, 1993, between a municipality and another public body. The cumulative amount of economic development funds allowed under this provision shall not exceed the total amount necessary to amortize the obligations involved.

7. If the qualified voters of any city, town or village vote to change or alter its boundaries by annexing any unincorporated territory included in group B or if the qualified voters of one or more city, town or village in group A and the qualified voters of one or more city, town or village in group B vote to consolidate, the area annexed or the area consolidated which had been a part of group B shall remain a part of group B after annexation or consolidation. After the effective date of the annexation or consolidation, the annexing or consolidated city, town or village shall receive a percentage of the group B distributable revenue equal to the percentage ratio that the population of the annexed or consolidated area bears to the total population of group B and such annexed area shall not be classified as unincorporated area for determination of the percentage allocable to the county. If the qualified voters of any two or more cities, towns or villages in group A each vote to consolidate such cities, towns or villages, then such consolidated cities, towns or villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630, population shall be as determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purpose of calculating the adjustment based on the percentage of unincorporated county population which is annexed after April 1, 1993, the accumulated percentage immediately before each census shall be used as the new percentage base after

295 such census. After any annexation, incorporation or other municipal boundary
296 change affecting the unincorporated area of the county, the chief elected official
297 of the county shall certify the new population of the unincorporated area of the
298 county and the percentage of the population which has been annexed or
299 incorporated since April 1, 1993, to the director of revenue. After the adoption
300 of the county sales tax ordinance, any city, town or village in group A may by
301 adoption of an ordinance by its governing body cease to be a part of group A and
302 become a part of group B. Within ten days after the adoption of the ordinance
303 transferring the city, town or village from one group to the other, the clerk of the
304 transferring city, town or village shall forward to the director of revenue, by
305 registered mail, a certified copy of the ordinance. Distribution to such city as a
306 part of its former group shall cease and as a part of its new group shall begin on
307 the first day of January of the year following notification to the director of
308 revenue, provided such notification is received by the director of revenue on or
309 before the first day of July of the year in which the transferring ordinance is
310 adopted. If such notification is received by the director of revenue after the first
311 day of July of the year in which the transferring ordinance is adopted, then
312 distribution to such city as a part of its former group shall cease and as a part of
313 its new group shall begin the first day of July of the year following such
314 notification to the director of revenue. Once a group A city, town or village
315 becomes a part of group B, such city may not transfer back to group A.

316 8. If any city, town or village shall hereafter change or alter its
317 boundaries, the city clerk of the municipality shall forward to the director of
318 revenue, by registered mail, a certified copy of the ordinance adding or detaching
319 territory from the municipality. The ordinance shall reflect the effective date
320 thereof, and shall be accompanied by a map of the municipality clearly showing
321 the territory added thereto or detached therefrom. Upon receipt of the ordinance
322 and map, the tax imposed by sections 66.600 to 66.630 shall be redistributed and
323 allocated in accordance with the provisions of this section on the effective date of
324 the change of the municipal boundary so that the proper percentage of group B
325 distributable revenue is allocated to the municipality in proportion to any
326 annexed territory. If any area of the unincorporated county elects to incorporate
327 subsequent to the effective date of the county sales tax as set forth in sections
328 66.600 to 66.630, the newly incorporated municipality shall remain a part of
329 group B. The city clerk of such newly incorporated municipality shall forward to
330 the director of revenue, by registered mail, a certified copy of the incorporation

331 election returns and a map of the municipality clearly showing the boundaries
332 thereof. The certified copy of the incorporation election returns shall reflect the
333 effective date of the incorporation. Upon receipt of the incorporation election
334 returns and map, the tax imposed by sections 66.600 to 66.630 shall be
335 distributed and allocated in accordance with the provisions of this section on the
336 effective date of the incorporation.

337 9. The director of revenue may authorize the state treasurer to make
338 refunds from the amounts in the trust fund and credited to any county for
339 erroneous payments and overpayments made, and may redeem dishonored checks
340 and drafts deposited to the credit of such counties. If any county abolishes the
341 tax, the county shall notify the director of revenue of the action [at least ninety
342 days prior to the effective date of the repeal] and the director of revenue may
343 order retention in the trust fund, for a period of one year, of two percent of the
344 amount collected after receipt of such notice to cover possible refunds or
345 overpayment of the tax and to redeem dishonored checks and drafts deposited to
346 the credit of such accounts. After one year has elapsed after the effective date of
347 abolition of the tax in such county, the director of revenue shall remit the balance
348 in the account to the county and close the account of that county. The director
349 of revenue shall notify each county of each instance of any amount refunded or
350 any check redeemed from receipts due the county.

351 10. Except as modified in sections 66.600 to 66.630, all provisions of
352 sections 32.085 [and] **to** 32.087 shall apply to the tax imposed under sections
353 66.600 to 66.630.

67.395. 1. All sales taxes collected by the director of revenue under
2 sections 67.391 to 67.395 on behalf of any county[, less one percent for cost of
3 collection which shall be deposited in the state's general revenue fund after
4 payment of premiums for surety bonds as provided in section 32.087] shall be
5 deposited with the state treasurer in a special trust fund, which is hereby
6 created, to be known as the "County Anti-Drug Sales Tax Trust Fund". [The
7 moneys in the county anti-drug sales tax trust fund shall not be deemed to be
8 state funds and shall not be commingled with any funds of the state.] The
9 director of revenue shall keep accurate records of the amount of money in the
10 trust fund which was collected in each county imposing a sales tax under sections
11 67.391 to 67.395, and the records shall be open to the inspection of officers of the
12 county and the public. Not later than the tenth day of each month, the director
13 of revenue shall distribute all moneys deposited in the trust fund during the

14 preceding month to the county which levied the tax. Such funds shall be
15 deposited with the county treasurer of each such county, and all expenditures of
16 funds arising from the county anti-drug sales tax trust fund shall be by an
17 appropriation act to be enacted by the governing body of each such county.

18 2. The director of revenue may authorize the state treasurer to make
19 refunds from the amounts in the trust fund and credited to any county for
20 erroneous payments and overpayments made, and may redeem dishonored checks
21 and drafts deposited to the credit of such counties. If any county abolishes the
22 tax, the county shall notify the director of revenue of the action [at least ninety
23 days prior to the effective date of the repeal] and the director of revenue may
24 order retention in the trust fund, for a period of one year, of two percent of the
25 amount collected after receipt of such notice to cover possible refunds or
26 overpayment of the tax and to redeem dishonored checks and drafts deposited to
27 the credit of such accounts. After one year has elapsed after the effective date of
28 abolition of the tax in such county, the director of revenue shall authorize the
29 state treasurer to remit the balance in the account to the county and close the
30 account of that county. The director of revenue shall notify each county of each
31 instance of any amount refunded or any check redeemed from receipts due the
32 county.

33 3. Except as modified in sections 67.391 to 67.395, all provisions of
34 sections 32.085 [and] to 32.087 shall apply to the tax imposed under sections
35 67.391 to 67.395.

67.525. 1. All county sales taxes collected by the director of revenue
2 under sections 67.500 to 67.545 on behalf of any county[, less one percent for cost
3 of collection, which shall be deposited in the state's general revenue fund after
4 payment of premiums for surety bonds as provided in section 32.087,] shall be
5 deposited with the state treasurer in a county sales tax trust fund, which fund
6 shall be separate and apart from the county sales tax trust fund established by
7 section 66.620. [The moneys in such county sales tax trust fund shall not be
8 deemed to be state funds and shall not be commingled with any funds of the
9 state.] The director of revenue shall keep accurate records of the amount of
10 money in the trust fund which was collected in each county imposing a county
11 sales tax, and the records shall be open to the inspection of officers of the county
12 and to the public. Not later than the tenth day of each month the director of
13 revenue shall distribute all moneys deposited in the trust fund during the
14 preceding month by distributing to the county treasurer, or such other officer as

15 may be designated by the county ordinance or order, of each county imposing the
16 tax authorized by sections 67.500 to 67.545, the sum due the county as certified
17 by the director of revenue.

18 2. The director of revenue may authorize the state treasurer to make
19 refunds from the amounts in the trust fund and credited to any county for
20 erroneous payments and overpayments made, and may redeem dishonored checks
21 and drafts deposited to the credit of such counties. If any county abolishes the
22 tax, the county shall notify the director of revenue of the action [at least ninety
23 days prior to the effective date of the repeal,] and the director of revenue may
24 order retention in the trust fund, for a period of one year, of two percent of the
25 amount collected after receipt of such notice to cover possible refunds or
26 overpayment of the tax and to redeem dishonored checks and drafts deposited to
27 the credit of such accounts. After one year has elapsed after the effective date of
28 abolition of the tax in such county, the director of revenue shall authorize the
29 state treasurer to remit the balance in the account to the county and close the
30 account of that county. The director of revenue shall notify each county of each
31 instance of any amount refunded or any check redeemed from receipts due the
32 county.

33 3. Except as modified in sections 67.500 to 67.545, all provisions of
34 sections 32.085 [and] to 32.087 shall apply to the tax imposed under sections
35 67.500 to 67.545.

67.571. 1. The governing body of any county of the first classification with
2 a population of more than eighty-two thousand inhabitants and less than ninety
3 thousand inhabitants may, in addition to any tourism sales tax imposed pursuant
4 to sections 67.671 to 67.685, by a majority vote, impose a sales tax **on all retail**
5 **sales made in the county which are subject to sales tax under chapter**
6 **144** for the funding of museums and festivals. For purposes of this section, the
7 term "funding of museums and festivals" shall mean:

8 (1) Funding of museums operating in the county, which are registered
9 with the United States Internal Revenue Service as a 501(C)(3) corporation and
10 which are considered by the board to be tourism attractions; and

11 (2) Funding of organizations that are registered as 501(C)(3) corporations
12 which promote cultural heritage tourism including festivals and the arts.

13 2. Any question submitted to the voters of such county to establish a sales
14 tax pursuant to this section shall be submitted in substantially the following
15 form:

16 Shall the county of _____ (insert the name of the county) impose a sales
17 tax of _____ (insert rate of percent) percent to be used to fund (museums,
18 cultural heritage, festivals) in certain areas of the county?

19 ☐ YES

☐ NO

20 3. If a majority of the votes cast on the proposal by the qualified voters
21 voting thereon are in favor of the proposal, and the tax takes effect pursuant to
22 this section, the museums and festivals board appointed pursuant to subsection
23 5 of this section shall determine in what manner the tax revenue moneys will be
24 expended, and disbursements of these moneys shall be made strictly in
25 accordance with directions of the board which are consistent with the provisions
26 of sections 67.571 to 67.577. Expenditures of these tax moneys may be made for
27 the employment of personnel selected by the board to assist in carrying out the
28 duties of the board, and the board is expressly authorized to employ such
29 personnel. Expenditures of these tax moneys may be made directly to
30 corporations pursuant to subsection 1 of this section. No such tax revenue
31 moneys shall be disbursed to or on behalf of any corporation, organization or
32 entity that is not duly registered with the Internal Revenue Service as a 501(C)(3)
33 organization.

34 4. Any sales tax imposed pursuant to this section shall be imposed at a
35 rate not to exceed two-tenths of one percent on receipts from the sale of certain
36 tangible personal property or taxable services within the county pursuant to
37 sections 67.571 to 67.577.

38 5. The governing body of any county which imposes a sales tax pursuant
39 to this section may establish a museums and festivals board for the purpose of
40 expending funds collected from any sales tax submitted and approved by the
41 county's voters pursuant to this section. The board shall be comprised of six
42 members who are appointed by the governing body of the county from a list of
43 candidates supplied by the chair of each of the two major political parties of the
44 county. The board shall be comprised of three members from each of the two
45 political parties. Members shall serve for three-year terms, but of the members
46 first appointed, one shall be appointed for a term of one year, two shall be
47 appointed for a term of two years, and two shall be appointed for a term of three
48 years. Each member shall be a resident of the county from which he or she is
49 appointed. The members of the board shall not receive compensation for service
50 on the board, but shall be reimbursed from the tax revenue money for any
51 reasonable and necessary expenses incurred in service on the board.

52 6. In the area of each county in which a sales tax has been imposed in the
53 manner provided by sections 67.571 to 67.577, every retailer within such area
54 shall add the tax imposed by the provisions of sections 67.571 to 67.577 to his
55 sale price, and this tax shall be a debt of the purchaser to the retailer until paid,
56 and shall be recoverable at law in the same manner as the purchase price.

57 7. In counties imposing a tax under the provisions of sections 67.571 to
58 67.577, in order to permit sellers required to collect and report the sales tax to
59 collect the amount required to be reported and remitted, but not to change the
60 requirements of reporting or remitting the tax, or to serve as a levy of the tax,
61 and in order to avoid fractions of pennies, the [governing body may authorize the
62 use of a bracket system similar to that] **tax shall be calculated as** authorized
63 by the provisions of section 144.285[, and notwithstanding the provisions of that
64 section, this new bracket system shall be used where this tax is imposed and
65 shall apply to all taxable transactions].

66 **8. Except as modified in this section, all provisions of sections**
67 **32.085 to 32.087 shall apply to the tax imposed under this section.**

67.576. 1. The following provisions shall govern the collection of the tax
2 imposed by the provisions of sections 67.571 to 67.577:

3 (1) All applicable provisions contained in sections 144.010 to 144.510
4 governing the state sales tax and section 32.057, the uniform confidentiality
5 provision, shall apply to the collection of the tax imposed by the provisions of
6 sections 67.571 to 67.577;

7 (2) All exemptions granted to agencies of government, organizations, and
8 persons under the provisions of sections 144.010 to 144.510 are hereby made
9 applicable to the imposition and collection of the tax imposed by sections 67.571
10 to 67.577.

11 2. The same sales tax permit, exemption certificate and retail certificate
12 required by sections 144.010 to 144.510 for the administration and collection of
13 the state sales tax shall satisfy the requirements of sections 67.571 to 67.577, and
14 no additional permit or exemption certificate or retail certificate shall be
15 required; except that, the director of revenue may prescribe a form of exemption
16 certificate for an exemption from the tax imposed by sections 67.571 to 67.577.

17 3. All discounts allowed the retailer pursuant to the provisions of the
18 state sales tax law for the collection of and for payment of taxes pursuant to that
19 act are hereby allowed and made applicable to any taxes collected pursuant to the
20 provisions of sections 67.571 to 67.577.

21 4. The penalties provided in section 32.057 and sections 144.010 to
22 144.510 for a violation of those acts are hereby made applicable to violations of
23 the provisions of sections 67.571 to 67.577.

24 5. [For the purposes of the sales tax imposed by an order pursuant to
25 sections 67.571 to 67.577, all retail sales shall be deemed to be consummated at
26 the place of business of the retailer] **Except as provided in sections 67.571**
27 **to 67.577, all provisions of sections 32.085 to 32.087 shall apply to the**
28 **tax imposed under sections 67.571 to 67.577.**

67.578. 1. The governing authority of any county of the third
2 classification without a township form of government and with more than sixteen
3 thousand four hundred but less than sixteen thousand five hundred inhabitants
4 may impose a sales tax in an amount not to exceed one-fifth of one percent on all
5 retail sales made in the county which are subject to taxation [pursuant to
6 sections 144.010 to 144.525] **under chapter 144**, to be used solely for the
7 funding of museums. For purposes of this section, the term "museums" means
8 museums operating in the county, which are registered with the United States
9 Internal Revenue Service as a 501(c)(3) corporation and which are considered by
10 the board to be a tourism attraction. The tax authorized by this section shall be
11 in addition to any and all other sales taxes allowed by law, except that no sales
12 tax shall be imposed pursuant to this section unless the governing authority
13 submits to the voters of the county, at a county or state general, primary, or
14 special election, a proposal to authorize the governing authority to impose the
15 tax.

16 2. The ballot of submission shall contain, but need not be limited to, the
17 following language:

18 Shall the county of _____ (insert the name of the county) impose a sales
19 tax of _____ (insert rate of percent) percent for the funding of museums?
20 "Museums" means museums operating in the county, which are registered with
21 the United States Internal Revenue Service as a 501(c)(3) corporation and which
22 are considered by the museum board to be a tourism attraction.

23 ☐ YES ☐ NO

24 If you are in favor of the question, place an "X" in the box opposite "YES". If you
25 are opposed to the question, place an "X" in the box opposite "NO".

26 If a majority of the votes cast on the proposal by the qualified voters voting
27 thereon are in favor of the proposal, then the sales tax shall become effective [on
28 the first day of the second calendar quarter after the director of revenue receives

29 notice of the adoption of the tax] **as provided by subsection 19 of section**
30 **32.087.** If the proposal receives less than the required majority of votes, then the
31 governing authority shall have no power to impose the tax unless and until the
32 governing authority has again submitted another proposal to authorize the
33 governing authority to impose the sales tax authorized by this section and such
34 proposal is approved by the required majority of the qualified voters voting
35 thereon.

36 3. On or after the effective date of the tax, the director of revenue shall
37 be responsible for the administration, collection, enforcement, and operation of
38 the tax, and sections 32.085 [and] **to 32.087** shall apply. [The director may
39 retain an amount not to exceed one percent for deposit in the general revenue
40 fund to offset the costs of collection.] In order to permit sellers required to collect
41 and report the sales tax to collect the amount required to be reported and
42 remitted, but not to change the requirements of reporting or remitting the tax,
43 or to serve as a levy of the tax, and in order to avoid fractions of pennies, the
44 [governing authority may authorize the use of a bracket system similar to that]
45 **tax shall be calculated as** authorized [in] **by** section 144.285[, and
46 notwithstanding the provisions of that section, this new bracket system shall be
47 used where this tax is imposed and shall apply to all taxable
48 transactions]. Beginning with the effective date of the tax, every retailer in the
49 county shall add the sales tax to the sale price, and this tax shall be a debt of the
50 purchaser to the retailer until paid, and shall be recoverable at law in the same
51 manner as the purchase price. For purposes of this section, all retail sales shall
52 be deemed to be consummated at the place of business of the retailer.

53 4. All applicable provisions in [sections 144.010 to 144.525] **chapter 144**
54 governing the state sales tax, and section 32.057, the uniform confidentiality
55 provision, shall apply to the collection of the tax, and all exemptions granted to
56 agencies of government, organizations, and persons pursuant to sections 144.010
57 to 144.525 are hereby made applicable to the imposition and collection of the
58 tax. The same sales tax permit, exemption certificate, and retail certificate
59 required by sections 144.010 to 144.525 for the administration and collection of
60 the state sales tax shall satisfy the requirements of this section, and no
61 additional permit or exemption certificate or retail certificate shall be required;
62 except that, the director of revenue may prescribe a form of exemption certificate
63 for an exemption from the tax. All discounts allowed the retailer pursuant to the
64 state sales tax law for the collection of and for payment of taxes are hereby

65 allowed and made applicable to the tax. The penalties for violations provided in
66 section 32.057 and [sections 144.010 to 144.525] **chapter 144** are hereby made
67 applicable to violations of this section. If any person is delinquent in the
68 payment of the amount required to be paid pursuant to this section, or in the
69 event a determination has been made against the person for taxes and penalty
70 pursuant to this section, the limitation for bringing suit for the collection of the
71 delinquent tax and penalty shall be the same as that provided in [sections
72 144.010 to 144.525] **chapter 144**.

73 5. The governing authority may authorize any museum board already
74 existing in the county, or may establish a museum board, to expend revenue
75 collected pursuant to this section. In the event that no museum board already
76 exists, the board established pursuant to this section shall consist of six members
77 who are appointed by the governing authority from a list of candidates supplied
78 by the chair of each of the two major political parties of the county, with three
79 members from each of the two parties. Members shall serve for three-year terms,
80 but of the members first appointed, [one] **two** shall be appointed for a term of
81 one year, two shall be appointed for a term of two years, and two shall be
82 appointed for a term of three years. Each member shall be a resident of the
83 county. The members shall not receive compensation for service on the board, but
84 shall be reimbursed from the revenues collected pursuant to this section for any
85 reasonable and necessary expenses incurred in service on the board. The board
86 shall determine in what manner the revenues will be expended, and
87 disbursements of these moneys shall be made strictly in accordance with this
88 section. Expenditures may be made for the employment of personnel selected by
89 the board to assist in carrying out the duties of the board, and the board is
90 expressly authorized to employ such personnel.

91 6. The governing authority may submit the question of repeal of the tax
92 to the voters at any county or state general, primary, or special election. The
93 ballot of submission shall contain, but need not be limited to, the following
94 language:

95 Shall the county of _____ (insert name of county) repeal the sales tax of
96 _____ (insert rate of percent) percent for the funding of museums?

97 ☐ YES ☐ NO

98 If you are in favor of the question, place an "X" in the box opposite "YES".

99 If you are opposed to the question, place an "X" in the box opposite "NO".

100 [If a majority of the votes cast on the proposal are in favor of repeal, that repeal

101 shall become effective on December thirty-first of the calendar year in which the
102 repeal was approved.]

67.581. 1. In addition to the sales tax permitted by sections 66.600 to
2 66.630, any county of the first class having a charter form of government and
3 having a population of nine hundred thousand or more may impose an additional
4 countywide sales tax **on all retail sales made in the county which are**
5 **subject to sales tax under chapter 144** upon approval by a vote of the
6 qualified voters of the county. The proposal may be submitted to the voters by
7 the governing body of the county and shall be submitted to the voters at the next
8 general election upon petitions signed by a number of qualified voters residing in
9 the county equal to at least eight percent of the votes cast in the county in the
10 next preceding gubernatorial election filed with the governing body of the
11 county. The submission shall include the levying of a sales tax at a rate of not
12 to exceed two hundred seventy-five one-thousandths of one percent on the receipts
13 from the sale at retail of all tangible personal property or taxable services within
14 the county which are also taxable under the provisions of sections 66.600 to
15 66.630, and shall provide for the distribution of the proceeds in the manner
16 provided in either subsection 4 or subsection 5 of this section. If either of the
17 alternative distribution systems as provided in subsection 4 or subsection 5 of
18 this section is approved by the voters, then the alternative system of distribution
19 may not be submitted to the voters for at least three years from the date of such
20 voter approval.

21 2. The ballot of submission shall contain, but is not limited to, the
22 following language:

23 Shall the County of _____ levy an additional sales tax at the rate of
24 _____ (insert rate) and distribute the proceeds in the manner provided in _____
25 (insert proper reference) (subsection 4)(subsection 5) of section 67.581, RSMo?

26 ☐ YES ☐ NO

27 If a majority of the votes cast on the proposal by the qualified voters voting
28 thereon are in favor of the proposal, the additional sales tax shall be levied and
29 collected and the proceeds from the additional tax shall be distributed as provided
30 in either subsection 4 or subsection 5 of this section. If a majority of the votes
31 cast by the qualified voters voting thereon are opposed to the proposal, then the
32 governing body of the county shall have no power to impose the additional sales
33 tax authorized by this section unless and until a proposal for the levy of such tax
34 is submitted to and approved by the voters of the county.

35 3. The provisions of sections 66.600 to 66.630 and sections 32.085 [and]
36 to 32.087, except to the extent otherwise provided in this section, shall govern the
37 levy, collection, distribution and other procedures related to an additional sales
38 tax imposed pursuant to this section.

39 4. In any county adopting an additional sales tax pursuant to the
40 provisions of this section, and selecting the method of distribution provided in
41 this subsection, the proceeds from the sales tax imposed pursuant to this section,
42 less one percent collection cost, shall be distributed first to those municipalities
43 that did not receive during the preceding calendar year ninety-five percent of the
44 amount the municipality would have received by multiplying the population of the
45 municipality by the average per capita sales tax receipt for such county in an
46 amount which will bring each municipality receipt of sales tax moneys up to
47 ninety-five percent of the average per capita receipts from the proceeds of the
48 sales tax imposed pursuant to sections 66.600 to 66.630. Any remainder of the
49 money received from the sales tax imposed pursuant to this section shall be
50 distributed to all municipalities on the ratio that the population of each
51 municipality bears to the total population of the county. The average per capita
52 sales tax distribution shall be calculated by dividing the sum of the total sales tax
53 revenue derived from the tax imposed pursuant to sections 66.600 to 66.630 by
54 the total population of the county. Population of each municipality, of the
55 unincorporated area of the county, and the total population of the county shall be
56 determined on the basis of the most recent federal decennial census. For the
57 purposes of this subsection, any city, town, village or the unincorporated area of
58 the county shall be considered a municipality.

59 5. In any county adopting an additional sales tax pursuant to the
60 provisions of this section and selecting the method of distribution provided in this
61 subsection, the proceeds from the sales tax imposed pursuant to this section, less
62 one percent collection cost, shall be distributed to all cities, towns and villages,
63 and the unincorporated areas of the county in group B and to such cities, towns
64 and villages in group A as necessary so that no city, town, or village in group A
65 receives from the combined proceeds of both the sales tax imposed pursuant to
66 this section and the sales tax imposed pursuant to sections 66.600 to 66.630, less
67 than the per capita amount received by the cities, towns and villages and the
68 unincorporated area of the county in group B receives from the total proceeds
69 from both sales taxes.

70 6. The governing body of any county which is imposing a sales tax under

71 the provisions of sections 66.600 to 66.630 may on its own motion and shall, upon
72 petitions filed with the governing body of the county signed by a number of
73 qualified voters residing in the county equal to at least eight percent of the votes
74 cast in the county at the next preceding gubernatorial election, submit to the
75 qualified voters of the county a proposal to change the method of distribution of
76 sales tax proceeds from the manner provided in subsection 2 of section 66.620 to
77 the method provided in this subsection. The ballot of submission shall be in
78 substantially the following form:

79 Shall the proceeds from the county sales tax be distributed among the
80 county of _____ and the various cities, towns and villages therein in the manner
81 provided in subdivisions (1) and (2) of subsection 6 of section 67.581, RSMo, in
82 lieu of the present manner of distribution?

83 ☐ YES ☐ NO

84 If a majority of the votes cast on the proposal by the qualified voters of the county
85 voting thereon are in favor of the proposal, the sales tax imposed by the county
86 under the provisions of sections 66.600 to 66.630 shall be distributed in the
87 manner provided in this subsection and not in the manner provided in subsection
88 2 of section 66.620. If a majority of the votes cast by the qualified voters of the
89 county voting thereon are opposed to the proposal, then the governing body of the
90 county shall have no power to order the proceeds from the sales tax imposed
91 pursuant to the provisions of sections 66.600 to 66.630 in the manner provided
92 in this subsection in lieu of the method provided in subsection 2 of section 66.620,
93 unless and until a proposal authorizing such method of distribution is submitted
94 to and approved by the voters of the county. If the voters approve the change in
95 the method of distribution of the sales tax proceeds in the manner provided in
96 this subsection, the county clerk of the county shall notify the director of revenue
97 of the change in the method of distribution within ten days after adoption of the
98 proposal and shall inform the director of the effective date of the change in the
99 method of distribution, which shall be on the first day of the third calendar
100 quarter after the director of revenue receives notice. After the effective date of
101 the change in the manner of distribution, the director of revenue shall distribute
102 the proceeds of the sales tax imposed by such county under the provisions of
103 sections 66.600 to 66.630 in the manner provided in this subsection in lieu of the
104 manner of distribution provided in subsection 2 of section 66.620. The proceeds
105 of the sales tax imposed under the provisions of sections 66.600 to 66.630 in any
106 county which elects to have the proceeds distributed in the manner provided in

107 this subsection shall be distributed in the following manner:

108 (1) The proceeds from the sales taxes shall be distributed to the cities,
109 towns and villages in group A and to the cities, towns and villages, and the
110 county in group B as defined in section 66.620 in the manner provided in
111 subsection 2 of section 66.620, until an amount equal to the total amount
112 distributed under section 66.620 for the twelve-month period immediately
113 preceding the effective date of the tax levied pursuant to the provisions of this
114 section has been distributed;

115 (2) All moneys received in excess of the total amount distributed under
116 section 66.620 for the twelve-month period immediately preceding the effective
117 date of the tax levied pursuant to the provisions of this section shall be
118 distributed to all cities, towns and villages and to the county on the basis that the
119 population of each city, town or village, and in the case of the county the basis
120 that the population of the unincorporated area of the county, bears to the total
121 population of the county. The average per capita sales tax distribution shall be
122 calculated by dividing the sum of the remaining amount of the total sales tax
123 revenues by the total population of the county. Population of each city, town or
124 village, of the unincorporated area of the county, and the total population of the
125 county shall be determined on the basis of the most recent federal decennial
126 census.

127 7. No municipality incorporated after the adoption of the tax authorized
128 by this section shall be included as other than part of the unincorporated area of
129 the county nor receive any share of either the proceeds from the tax levied
130 pursuant to the provisions of this section or the tax levied pursuant to the
131 provisions of sections 66.600 to 66.630 unless, at the time of incorporation, such
132 municipality had a population of ten thousand or more.

133 8. The county sales tax imposed pursuant to this section on the purchase
134 and sale of motor vehicles shall not be collected and remitted by the seller, but
135 shall be collected by the director of revenue at the time application is made for
136 a certificate of title, if the address of the applicant is within the county imposing
137 the additional sales tax. [The amounts so collected, less one percent collection
138 cost, shall be deposited in the county sales tax trust fund to be distributed in
139 accordance with section 66.620. The purchase or sale of motor vehicles shall be
140 deemed to be consummated at the address of the applicant for a certificate of
141 title.]

142 9. No tax shall be imposed pursuant to this section for the purpose of

143 funding in whole or in part the construction, operation or maintenance of a sports
144 stadium, field house, indoor or outdoor recreational facility, center, playing field,
145 parking facility or anything incidental or necessary to a complex suitable for any
146 type of professional sport, either upon, above or below the ground.

147 10. The director of revenue may authorize the state treasurer to make
148 refunds from the amounts in the trust fund and credited to any county for
149 erroneous payments and overpayments made, and may redeem dishonored checks
150 and drafts deposited to the credit of such counties. If any county abolishes the
151 tax, the county shall notify the director of revenue of the action [at least ninety
152 days prior to the effective date of the repeal] and the director of revenue may
153 order retention in the trust fund, for a period of one year, of two percent of the
154 amount collected after receipt of such notice to cover possible refunds or
155 overpayment of the tax and to redeem dishonored checks and drafts deposited to
156 the credit of such accounts. After one year has elapsed after the effective date of
157 abolition of the tax in such county, the director of revenue shall remit the balance
158 in the account to the county and close the account of that county. The director
159 of revenue shall notify each county of each instance of any amount refunded or
160 any check redeemed from receipts due the county.

67.582. 1. The governing body of any county, except a county of the first
2 class with a charter form of government with a population of greater than four
3 hundred thousand inhabitants, is hereby authorized to impose, by ordinance or
4 order, a sales tax in the amount of up to one-half of one percent on all retail sales
5 made in such county which are subject to taxation under [the provisions of
6 sections 144.010 to 144.525] **chapter 144** for the purpose of providing law
7 enforcement services for such county. The tax authorized by this section shall be
8 in addition to any and all other sales taxes allowed by law, except that no
9 ordinance or order imposing a sales tax under the provisions of this section shall
10 be effective unless the governing body of the county submits to the voters of the
11 county, at a county or state general, primary or special election, a proposal to
12 authorize the governing body of the county to impose a tax.

13 2. The ballot of submission shall contain, but need not be limited to, the
14 following language:

15 (1) If the proposal submitted involves only authorization to impose the tax
16 authorized by this section the ballot shall contain substantially the following:

17 Shall the county of _____ (county's name) impose a countywide sales tax
18 of _____ (insert amount) for the purpose of providing law enforcement services

19 for the county?

20

☐ YES

☐ NO

21 If you are in favor of the question, place an "X" in the box opposite "YES". If you
22 are opposed to the question, place an "X" in the box opposite "NO"; or

23 (2) If the proposal submitted involves authorization to enter into
24 agreements to form a regional jail district and obligates the county to make
25 payments from the tax authorized by this section the ballot shall contain
26 substantially the following:

27 Shall the county of _____ (county's name) be authorized to enter into
28 agreements for the purpose of forming a regional jail district and obligating the
29 county to impose a countywide sales tax of _____ (insert amount) to fund _____
30 dollars of the costs to construct a regional jail and to fund the costs to operate a
31 regional jail, with any funds in excess of that necessary to construct and operate
32 such jail to be used for law enforcement purposes?

33

☐ YES

☐ NO

34 If you are in favor of the question, place an "X" in the box opposite "YES".
35 If you are opposed to the question, place an "X" in the box opposite "NO".

36 If a majority of the votes cast on the proposal by the qualified voters voting
37 thereon are in favor of the proposal submitted pursuant to subdivision (1) of this
38 subsection, then the ordinance or order and any amendments thereto shall be in
39 effect [on the first day of the second quarter immediately following the election
40 approving the proposal] **as provided by subsection 19 of section 32.087**. If
41 the constitutionally required percentage of the voters voting thereon are in favor
42 of the proposal submitted pursuant to subdivision (2) of this subsection, then the
43 ordinance or order and any amendments thereto shall be in effect [on the first
44 day of the second quarter immediately following the election approving the
45 proposal] **as provided by subsection 19 of section 32.087**. If a proposal
46 receives less than the required majority, then the governing body of the county
47 shall have no power to impose the sales tax herein authorized unless and until
48 the governing body of the county shall again have submitted another proposal to
49 authorize the governing body of the county to impose the sales tax authorized by
50 this section and such proposal is approved by the required majority of the
51 qualified voters voting thereon. However, in no event shall a proposal pursuant
52 to this section be submitted to the voters sooner than twelve months from the
53 date of the last proposal pursuant to this section.

54 3. All revenue received by a county from the tax authorized under the

55 provisions of this section shall be deposited in a special trust fund and shall be
56 used solely for providing law enforcement services for such county for so long as
57 the tax shall remain in effect. Revenue placed in the special trust fund may also
58 be utilized for capital improvement projects for law enforcement facilities and for
59 the payment of any interest and principal on bonds issued for said capital
60 improvement projects.

61 4. Once the tax authorized by this section is abolished or is terminated by
62 any means, all funds remaining in the special trust fund shall be used solely for
63 providing law enforcement services for the county. Any funds in such special
64 trust fund which are not needed for current expenditures may be invested by the
65 governing body in accordance with applicable laws relating to the investment of
66 other county funds.

67 5. All sales taxes collected by the director of revenue under this section
68 on behalf of any county[, less one percent for cost of collection which shall be
69 deposited in the state's general revenue fund after payment of premiums for
70 surety bonds as provided in section 32.087,] shall be deposited in a special trust
71 fund, which is hereby created, to be known as the "County Law Enforcement
72 Sales Tax Trust Fund". [The moneys in the county law enforcement sales tax
73 trust fund shall not be deemed to be state funds and shall not be commingled
74 with any funds of the state.] The director of revenue shall keep accurate records
75 of the amount of money in the trust and which was collected in each county
76 imposing a sales tax under this section, and the records shall be open to the
77 inspection of officers of the county and the public. Not later than the tenth day
78 of each month the director of revenue shall distribute all moneys deposited in the
79 trust fund during the preceding month to the county which levied the tax; such
80 funds shall be deposited with the county treasurer of each such county, and all
81 expenditures of funds arising from the county law enforcement sales tax trust
82 fund shall be by an appropriation act to be enacted by the governing body of each
83 such county. Expenditures may be made from the fund for any law enforcement
84 functions authorized in the ordinance or order adopted by the governing body
85 submitting the law enforcement tax to the voters.

86 6. The director of revenue may authorize the state treasurer to make
87 refunds from the amounts in the trust fund and credited to any county for
88 erroneous payments and overpayments made, and may redeem dishonored checks
89 and drafts deposited to the credit of such counties. If any county abolishes the
90 tax, **the repeal of such tax shall become effective as provided in**

91 **subsection 19 of section 32.087.** The county shall notify the director of
92 revenue of the action [at least ninety days prior to the effective date of the
93 repeal] and the director of revenue may order retention in the trust fund, for a
94 period of one year, of two percent of the amount collected after receipt of such
95 notice to cover possible refunds or overpayment of the tax and to redeem
96 dishonored checks and drafts deposited to the credit of such accounts. After one
97 year has elapsed after the effective date of abolition of the tax in such county, the
98 director of revenue shall remit the balance in the account to the county and close
99 the account of that county. The director of revenue shall notify each county of
100 each instance of any amount refunded or any check redeemed from receipts due
101 the county.

102 7. Except as modified in this section, all provisions of sections 32.085
103 [and] to 32.087 shall apply to the tax imposed under this section.

67.583. 1. The governing body of any county of the second class with a
2 population of more than forty thousand but less than sixty thousand and which
3 contains institutions operated by the department of corrections and by the
4 department of mental health is hereby authorized to impose, by ordinance or
5 order, a sales tax in the amount of one-eighth of one percent on all retail sales
6 made in such county which are subject to taxation under [the provisions of
7 sections 144.010 to 144.525] **chapter 144.** The tax authorized by this section
8 shall be in addition to any and all other sales taxes allowed by law; provided,
9 however, that no ordinance or order imposing a sales tax under the provisions of
10 this section shall be effective unless the governing body of the county submits to
11 the voters of the county, at a county or state general, primary or special election,
12 a proposal to authorize the governing body of the county to impose a tax.

13 2. The ballot of submission shall contain, but need not be limited to, the
14 following language:

15 Shall the county of _____ (county's name) impose a countywide sales tax
16 of _____ (insert amount) for the purpose of providing retirement and health care
17 benefits for county employees and their dependents?

18 ☐ YES ☐ NO

19 If you are in favor of the question, place an "X" in the box opposite "YES".

20 If you are opposed to the question, place an "X" in the box opposite "NO".

21 If a majority of the votes cast on the proposal by the qualified voters voting
22 thereon are in favor of the proposal, then the ordinance or order and any
23 amendments thereto shall be in effect **as provided in subsection 19 of**

24 **section 32.087.** If a majority of the votes cast by the qualified voters voting are
25 opposed to the proposal, then the governing body of the county shall have no
26 power to impose the sales tax herein authorized unless and until the governing
27 body of the county shall again have submitted another proposal to authorize the
28 governing body of the county to impose the sales tax authorized by this section
29 and such proposal is approved by a majority of the qualified voters voting
30 thereon. However, in no event shall a proposal pursuant to this section be
31 submitted to the voters sooner than twelve months from the date of the last
32 proposal pursuant to this section.

33 3. All revenue received by a county from the tax authorized under the
34 provisions of this section shall be deposited in a special trust fund and shall be
35 used solely for providing retirement and health care benefits for county employees
36 and their dependents.

37 4. All sales taxes collected by the director of revenue under this section
38 on behalf of any county[, less one percent for cost of collection which shall be
39 deposited in the state's general revenue fund after payment of premiums for
40 surety bonds as provided in section 32.087,] shall be deposited in a special trust
41 fund, which is hereby created, to be known as the "County Employee Benefit
42 Sales Tax Trust Fund". [The moneys in the county employee benefit sales tax
43 trust fund shall not be deemed to be state funds and shall not be commingled
44 with any funds of the state.] The director of revenue shall keep accurate records
45 of the amount of money in the trust and which was collected in each county
46 imposing a sales tax under this section, and the records shall be open to the
47 inspection of officers of the county and the public. Not later than the tenth day
48 of each month, the director of revenue shall distribute all moneys deposited in the
49 trust fund during the preceding month to the county which levied the tax. Such
50 funds shall be deposited with the county treasurer of each such county, and all
51 expenditures of funds arising from the county employee benefit sales tax trust
52 fund shall be for the provision of retirement benefits or health care benefits for
53 employees of the county and their dependents and for no other purpose.

54 5. The director of revenue may authorize the state treasurer to make
55 refunds from the amounts in the trust fund and credited to any county for
56 erroneous payments and overpayments made and may redeem dishonored checks
57 and drafts deposited to the credit of such counties. If any county abolishes the
58 tax, the county shall notify the director of revenue of the action [at least ninety
59 days prior to the effective date of the repeal] and the director of revenue may

60 order retention in the trust fund, for a period of one year, of two percent of the
61 amount collected after receipt of such notice to cover possible refunds or
62 overpayment of the tax and to redeem dishonored checks and drafts deposited to
63 the credit of such accounts. After one year has elapsed after the effective date of
64 abolition of the tax in such county, the director of revenue shall remit the balance
65 in the account to the county and close the account of that county. The director
66 of revenue shall notify each county of each instance of any amount refunded or
67 any check redeemed from receipts due the county.

68 6. Except as modified in this section, all provisions of sections 32.085
69 [and] to 32.087 shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with
2 more than one hundred ninety-eight thousand but less than one hundred
3 ninety-eight thousand two hundred inhabitants is hereby authorized to impose,
4 by ordinance or order, a sales tax in the amount of up to one-half percent on all
5 retail sales made in such county which are subject to taxation [pursuant to
6 sections 144.010 to 144.525] **under chapter 144** for the purpose of providing law
7 enforcement services for such county. The tax authorized by this section shall be
8 in addition to any and all other sales taxes allowed by law, except that no
9 ordinance or order imposing a sales tax pursuant to this section shall be effective
10 unless the governing body of the county submits to the voters of the county, at a
11 county or state general, primary, or special election, a proposal to authorize the
12 governing body of the county to impose a tax.

13 2. If the proposal submitted involves only authorization to impose the tax
14 authorized by this section, the ballot of submission shall contain, but need not be
15 limited to, the following language:

16 Shall the county of _____ (county's name) impose a countywide sales tax
17 of _____ (insert amount) for the purpose of providing law enforcement services
18 for the county?

19 ☐ YES ☐ NO

20 If you are in favor of the question, place an "X" in the box opposite "YES". If you
21 are opposed to the question, place an "X" in the box opposite "NO".

22 If a majority of the votes cast on the proposal by the qualified voters voting
23 thereon are in favor of the proposal submitted pursuant to this subsection, then
24 the ordinance or order and any amendments thereto shall be in effect [on the first
25 day of the second quarter immediately following the election approving the
26 proposal] **as provided by subsection 19 of section 32.087**. If a proposal

27 receives less than the required majority, then the governing body of the county
28 shall have no power to impose the sales tax herein authorized unless and until
29 the governing body of the county shall again have submitted another proposal to
30 authorize the governing body of the county to impose the sales tax authorized by
31 this section and such proposal is approved by the required majority of the
32 qualified voters voting thereon. However, in no event shall a proposal pursuant
33 to this section be submitted to the voters sooner than twelve months from the
34 date of the last proposal pursuant to this section.

35 3. Twenty-five percent of the revenue received by a county treasurer from
36 the tax authorized pursuant to this section shall be deposited in a special trust
37 fund and shall be used solely by a prosecuting attorney's office for such county for
38 so long as the tax shall remain in effect. The remainder of revenue shall be
39 deposited in the county law enforcement sales tax trust fund established
40 pursuant to section 67.582 of the county levying the tax pursuant to this
41 section. The revenue derived from the tax imposed pursuant to this section shall
42 be used for public law enforcement services only. No revenue derived from the
43 tax imposed pursuant to this section shall be used for any private contractor
44 providing law enforcement services or for any private jail.

45 4. Once the tax authorized by this section is abolished or is terminated by
46 any means, all funds remaining in the prosecuting attorney's trust fund shall be
47 used solely by a prosecuting attorney's office for the county. Any funds in such
48 special trust fund which are not needed for current expenditures may be invested
49 by the governing body in accordance with applicable laws relating to the
50 investment of other county funds.

51 5. All sales taxes collected by the director of revenue pursuant to this
52 section on behalf of any county[, less one percent for cost of collection which shall
53 be deposited in the state's general revenue fund after payment of premiums for
54 surety bonds as provided in section 32.087,] shall be deposited in a special trust
55 fund, which is hereby created, to be known as the "County Prosecuting Attorney's
56 Office Sales Tax Trust Fund" or in the county law enforcement sales tax trust
57 fund, pursuant to the deposit ratio in subsection 3 of this section. [The moneys
58 in the trust funds shall not be deemed to be state funds and shall not be
59 commingled with any funds of the state.] The director of revenue shall keep
60 accurate records of the amount of money in the trusts and which was collected in
61 each county imposing a sales tax pursuant to this section, and the records shall
62 be open to the inspection of officers of the county and the public. Not later than

63 the tenth day of each month the director of revenue shall distribute all moneys
64 deposited in the trust funds during the preceding month to the county which
65 levied the tax; such funds shall be deposited with the county treasurer of each
66 such county, and all expenditures of funds arising from either trust fund shall be
67 by an appropriation act to be enacted by the governing body of each such
68 county. Expenditures may be made from the funds for any functions authorized
69 in the ordinance or order adopted by the governing body submitting the tax to the
70 voters.

71 6. The director of revenue may authorize the state treasurer to make
72 refunds from the amounts in the trust funds and credited to any county for
73 erroneous payments and overpayments made, and may redeem dishonored checks
74 and drafts deposited to the credit of such counties. If any county abolishes the
75 tax, **the repeal of such tax shall become effective as provided in**
76 **subsection 19 of section 32.087.** The county shall notify the director of
77 revenue of the action [at least ninety days before the effective date of the repeal]
78 and the director of revenue may order retention in the appropriate trust fund, for
79 a period of one year, of two percent of the amount collected after receipt of such
80 notice to cover possible refunds or overpayments of the tax and to redeem
81 dishonored checks and drafts deposited to the credit of such accounts. After one
82 year has elapsed after the effective date of abolition of the tax in such county, the
83 director of revenue shall remit the balance in the account to the county and close
84 the account of that county established pursuant to this section. The director of
85 revenue shall notify each county of each instance of any amount refunded or any
86 check redeemed from receipts due the county.

87 7. Except as modified in this section, all provisions of sections 32.085
88 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

67.712. 1. All sales taxes collected by the director of revenue under
2 sections 67.700 to 67.727 on behalf of any county[, less one percent for the cost
3 of collection, which shall be deposited in the state's general revenue fund after
4 payment of premiums for surety bonds as provided in section 32.087,] shall be
5 deposited with the state treasurer in a special trust fund, which is hereby
6 created, to be known as the "County Alternate Sales Tax Trust Fund". [The
7 moneys in the county alternate sales tax trust fund shall not be deemed to be
8 state funds and shall not be commingled with any funds of the state.] The
9 director of revenue shall keep accurate records of the amount of money in the
10 trust fund which was collected in each county imposing a sales tax under sections

11 67.700 to 67.727, and the records shall be open to the inspection of officers of each
12 county and the general public. Not later than the tenth day of each month the
13 director of revenue shall distribute all moneys deposited in the trust fund during
14 the preceding month by distributing to the county treasurer, or such other officer
15 as may be designated by the county ordinance or order, of each county imposing
16 the tax authorized by sections 67.700 to 67.727, the sum, as certified by the
17 director of revenue, due the county.

18 2. The director of revenue may authorize the state treasurer to make
19 refunds from the amounts in the trust fund and credited to any county for
20 erroneous payments and overpayments made, and may redeem dishonored checks
21 and drafts deposited to the credit of such counties. If any county repeals the tax
22 authorized by sections 67.700 to 67.727, the county shall notify the director of
23 revenue of the action [at least ninety days] prior to the effective date of the
24 repeal and **the repeal shall be effective as provided by subsection 19 of**
25 **section 32.087.** The director of revenue may order retention in the trust fund,
26 for a period of one year, of two percent of the amount collected after receipt of
27 such notice to cover possible refunds or overpayment of such tax and to redeem
28 dishonored checks and drafts deposited to the credit of such accounts. After one
29 year has elapsed after the effective date of repeal of the tax authorized by
30 sections 67.700 to 67.727 in such county, the director of revenue shall authorize
31 the state treasurer to remit the balance in the account to the county and close the
32 account of that county. The director of revenue shall notify each county of each
33 instance of any amount refunded or any check redeemed from receipts due the
34 county.

35 3. Except as modified in sections 67.700 to 67.727, all provisions of
36 sections 32.085 [and] **to** 32.087 shall apply to the tax imposed under sections
37 67.700 to 67.727.

67.713. 1. Notwithstanding the provisions of section 67.712, as to the
2 disposition of any other sales tax imposed under the provisions of sections 67.700
3 to 67.727, one-fifth of the sales taxes collected by the director of revenue from the
4 tax authorized by section 67.701 on behalf of any county of the first class having
5 a charter form of government and having a population of nine hundred thousand
6 or more[, less one percent for cost of collection, which shall be deposited in the
7 state's general revenue fund after payment of premiums for surety bonds as
8 provided in sections 67.700 to 67.727,] shall be deposited in a special trust fund,
9 which is hereby created, to be known as the "County-Municipal Storm Water and

10 Public Works Sales Tax Trust Fund". [The moneys in the county-municipal storm
11 water and public works sales tax trust fund shall not be deemed to be state funds
12 and shall not be commingled with any funds of the state.] The director of revenue
13 shall keep accurate records of the amount of money in the trust fund which was
14 collected in each county and the records shall be open to the inspection of officers
15 of the county and of the municipalities within the county and the public. Not
16 later than the tenth day of each month, the director of the department of revenue
17 shall distribute all moneys deposited in the county-municipal storm water and
18 public works sales tax trust fund during the preceding month to the county which
19 levied the tax, and the municipalities which are located wholly or partially within
20 such county as follows:

21 (1) The county which levied the sales tax shall receive a percentage of the
22 distributable revenue equal to the percentage ratio that the population of the
23 unincorporated areas of the county bears to the total population of the county;

24 (2) Each municipality located wholly within the county which levied the
25 tax shall receive a percentage of the distributable revenue equal to the percentage
26 ratio that the population of such municipality bears to the total population of the
27 county; and

28 (3) Each municipality located partially within the county which levied the
29 tax shall receive a percentage of the distributable revenue equal to the percentage
30 ratio that the population of that part of the municipality located within the
31 county bears to the total population of the county.

32 2. The director of revenue may make refunds from the amounts in the
33 county-municipal storm water and public works sales tax trust fund and credited
34 to any county or municipality for erroneous payments and overpayments made,
35 and may redeem dishonored checks and drafts deposited to the credit of such
36 county or municipality. If any county abolishes the tax, the county shall notify
37 the director of revenue of the action [at least ninety days] prior to the effective
38 date of the repeal and **the repeal shall be effective as provided by**
39 **subsection 19 of section 32.087.** The director of revenue may order retention
40 in the county-municipal storm water and public works sales tax trust fund, for
41 a period of one year, of two percent of the amount collected after receipt of such
42 notice to cover possible refunds or overpayment of the tax and to redeem
43 dishonored checks and drafts deposited to the credit of such accounts. After one
44 year has elapsed after the effective date of abolition of the tax in such county, the
45 director of revenue shall remit the balance in the account to the county or

46 municipality and close the account of that county or municipality. The director
47 of revenue shall notify each county or municipality of each instance of any
48 amount refunded or any check redeemed from receipts due the county or
49 municipality.

50 3. If the governing body of any municipality located wholly or partially
51 within the county so requests by resolution, no funds shall be expended from the
52 proceeds of any tax imposed under section 67.701 within the corporate boundaries
53 of the requesting municipality for the construction, reconstruction or widening of
54 any road established or to be established pursuant to section 137.558, the total
55 cost of which exceeds one hundred thousand dollars unless: (a) a public hearing
56 is first held at a place near such proposed action; and (b) plans and specifications
57 of such proposed action are prepared and a cost-benefit analysis prepared in
58 accordance with accepted accounting principles of such proposed action is
59 presented to such public hearing. Such cost-benefit analysis and its work papers
60 shall be a public document and subject to inspection as provided in chapter
61 610. The provisions of this subsection shall not apply to proposed projects in
62 unincorporated areas of the county.

67.729. 1. Any county except any first class county having a charter form
2 of government and having a population of nine hundred thousand or more may,
3 in the same manner and by the same procedure and subject to the same penalties
4 as set out in sections 67.700 to 67.727, impose a sales tax of not more than
5 one-tenth of one percent **on all retail sales made in the county which are**
6 **subject to sales tax under chapter 144** for the purpose of funding storm
7 water control and public works projects other than stadiums or other sports
8 facilities. This sales tax shall be in addition to any other sales tax authorized by
9 law.

10 2. Notwithstanding the provisions of section 67.712 as to the disposition
11 of any other sales tax imposed under the provisions of sections 67.700 to 67.727,
12 all sales taxes collected by the director of revenue from the tax authorized by this
13 section on behalf of any county[, less one percent for cost of collection, which shall
14 be deposited in the state's general revenue fund after payment of premiums for
15 surety bonds as provided in section 32.087,] shall be deposited with the state
16 treasurer in a special trust fund, which is hereby created, to be known as the
17 "County Storm Water and Public Works Sales Tax Trust Fund". [The moneys in
18 the county storm water and public works sales tax trust fund shall not be deemed
19 to be state funds and shall not be commingled with any funds of the state.] The

20 director of revenue shall keep accurate records of the amount of money in the
21 trust fund which was collected in each county imposing a sales tax under this
22 section and the records shall be open to the inspection of officers of the county
23 and the public. Not later than the tenth day of each month the director of
24 revenue shall distribute all moneys deposited in the county storm water and
25 public works sales tax trust fund during the preceding month to the county which
26 levied the tax, and the municipalities which are located wholly or partially within
27 such county as follows:

28 (1) The county which levied the sales tax shall receive a percentage of the
29 distributable revenue equal to the percentage ratio that the population of the
30 unincorporated areas of the county bears to the total population of the county;

31 (2) Each municipality located wholly within the county which levied the
32 tax shall receive a percentage of the distributable revenue equal to the percentage
33 ratio that the population of such municipality bears to the total population of the
34 county; and

35 (3) Each municipality located partially within the county which levied the
36 tax shall receive a percentage of the distributable revenue equal to the percentage
37 ratio that the population of that part of the municipality located within the
38 county bears to the total population of the county.

39 3. The director of revenue may authorize the state treasurer to make
40 refunds from the amounts in the county storm water and public works sales tax
41 trust fund and credited to any county for erroneous payments and overpayments
42 made, and may redeem dishonored checks and drafts deposited to the credit of
43 such counties. If any county abolishes the tax, the county shall notify the director
44 of revenue of the action [at least ninety days] prior to the effective date of the
45 repeal and **the repeal shall be effective as provided by subsection 19 of**
46 **section 32.087.** The director of revenue may order retention in the county storm
47 water and public works sales tax trust fund, for a period of one year, of two
48 percent of the amount collected after receipt of such notice to cover possible
49 refunds or overpayment of the tax and to redeem dishonored checks and drafts
50 deposited to the credit of such accounts. After one year has elapsed after the
51 effective date of abolition of the tax in such county, the director of revenue shall
52 authorize the state treasurer to remit the balance in the account to the county
53 and close the account of that county. The director of revenue shall notify each
54 county of each instance of any amount refunded or any check redeemed from
55 receipts due the county.

56 **4. Except as modified in this section, all provisions of sections**
57 **32.085 to 32.087 shall apply to the tax imposed under this section.**

67.737. Except as modified in sections 67.730 to 67.739, all provisions of
2 sections 32.085 [and] **to** 32.087 shall apply to the tax imposed under sections
3 67.730 to 67.739.

67.738. 1. All sales taxes collected by the director of revenue under
2 sections 67.730 to 67.739 on behalf of any county[, less one percent for the cost
3 of collection, which shall be deposited in the state's general revenue fund after
4 payment of premiums for surety bonds as provided in section 32.087,] shall be
5 deposited with the state treasurer in a special trust fund, which is hereby
6 created, to be known as the "County Capital Improvement Bond Sales Tax Trust
7 Fund". [The moneys in the county capital improvement bond sales tax trust fund
8 shall not be deemed to be state funds and shall not be commingled with any funds
9 of the state.] The director of revenue shall keep accurate records of the amount
10 of money in the trust fund which was collected in each county imposing a sales
11 tax under sections 67.730 to 67.739, and the records shall be open to the
12 inspection of officers of each county and the general public. Not later than the
13 tenth day of each month the director of revenue shall distribute all moneys
14 deposited in the trust fund during the preceding month by distributing to the
15 county treasurer, or such other officer as may be designated by the county
16 ordinance or order, of each county imposing the tax authorized by sections 67.730
17 to 67.739, the sum, as certified by the director of revenue, due the county.

18 2. The director of revenue may authorize the state treasurer to make
19 refund from the amounts in the trust fund and credited to any county for
20 erroneous payments and overpayments made, and may redeem dishonored checks
21 and drafts deposited to the credit of such counties. If any county repeals the tax
22 authorized by sections 67.730 to 67.739, the county shall notify the director of
23 revenue of the action [at least ninety days] prior to the effective date of the
24 repeal or expiration and **the repeal shall be effective as provided by**
25 **subsection 19 of section 32.087.** The director of revenue may order retention
26 in the trust fund, for a period of one year, of two percent of the amount collected
27 after receipt of such notice to cover possible refunds or overpayment of such tax
28 and to redeem dishonored checks and drafts deposited to the credit of such
29 accounts. After one year has elapsed after the effective date of repeal or
30 expiration of the tax authorized by sections 67.730 to 67.739 in such county, the
31 director of revenue shall remit the balance in the account to the county and close

32 the account of that county. The director of revenue shall notify each county of
33 each instance of any amount refunded or any check redeemed from receipts due
34 the county.

67.745. 1. Any county of the third classification without a township form
2 of government and with more than eleven thousand seven hundred fifty but fewer
3 than eleven thousand eight hundred fifty inhabitants may impose a sales tax
4 throughout the county **on all retail sales made in the county which are**
5 **subject to sales tax under chapter 144** for public recreational projects and
6 programs, but the sales tax authorized by this section shall not become effective
7 unless the governing body of such county submits to the qualified voters of the
8 county a proposal to authorize the county to impose the sales tax.

9 2. The ballot submission shall be in substantially the following form:

10 Shall the County of _____ impose a sales tax of up to one percent for the
11 purpose of funding the financing, acquisition, construction, operation, and
12 maintenance of recreational projects and programs, including the acquisition of
13 land for such purposes?

14 ☐ YES ☐ NO

15 3. If approved by a majority of qualified voters **voting on the issue** in
16 the county, the governing body of the county shall appoint a board of directors
17 consisting of nine members. Of the initial members appointed to the board, three
18 members shall be appointed for a term of three years, three members shall be
19 appointed for a term of two years, and three members shall be appointed for a
20 term of one year. After the initial appointments, board members shall be
21 appointed to three-year terms.

22 4. The sales tax may be imposed at a rate of up to one percent on the
23 receipts from the retail sale of all tangible personal property or taxable service
24 within the county[, if such property and services are subject to taxation by the
25 state of Missouri under sections 144.010 to 144.525].

26 5. All revenue collected from the sales tax under this section by the
27 director of revenue on behalf of a county[, less one percent for the cost of
28 collection which shall be deposited in the state's general revenue fund after
29 payment of premiums for surety bonds as provided in section 32.087,] shall be
30 deposited with the state treasurer in a special trust fund, which is hereby
31 created, to be known as the "County Recreation Sales Trust Fund". [Moneys in
32 the fund shall not be deemed to be state funds and shall not be commingled with
33 any funds of the state.] The director of revenue shall keep accurate records of the

34 amount of money in the trust fund collected in each county imposing a sales tax
35 under this section, and the records shall be open to the inspection of officers of
36 such county and the general public. Not later than the tenth day of each
37 calendar month, the director of revenue shall distribute all moneys deposited in
38 the trust fund during the preceding calendar month by distributing to the county
39 treasurer, or such officer as may be designated by county ordinance or order, of
40 each county imposing the tax under this section the sum due the county as
41 certified by the director of revenue.

42 6. The director of revenue may authorize the state treasurer to make
43 refunds from the amounts in the trust fund and credited to any county for
44 erroneous payments and overpayments made, and may redeem dishonored checks
45 and drafts deposited to the credit of such counties. Each county shall notify the
46 director of revenue [at least ninety days] prior to the effective date of the
47 expiration of the sales tax authorized by this section and **the repeal shall be**
48 **effective as provided by subsection 19 of section 32.087.** The director of
49 revenue may order retention in the trust fund for a period of one year of two
50 percent of the amount collected after receipt of such notice to cover possible
51 refunds or overpayments of such tax and to redeem dishonored checks and drafts
52 deposited to the credit of such accounts. After one year has elapsed after the date
53 of expiration of the tax authorized by this section in a county, the director of
54 revenue shall remit the balance in the account to the county and close the account
55 of such county. The director of revenue shall notify each county of each instance
56 of any amount refunded or any check redeemed from receipts due such county.

57 7. The tax authorized under this section may be imposed in accordance
58 with this section by a county in addition to or in lieu of the tax authorized in
59 sections 67.750 to 67.780.

60 8. The sales tax imposed under this section shall expire twenty years from
61 the effective date thereof unless an extension of the tax is submitted to and
62 approved by the qualified voters in the county in the manner provided in this
63 section. Each extension of the sales tax shall be for a period of ten years.

64 9. The provisions of this section shall not in any way affect or limit the
65 powers granted to any county to establish, maintain, and conduct parks and other
66 recreational grounds for public recreation.

67 10. Except as modified in this section, the provisions of sections 32.085
68 [and] to 32.087 shall apply to the tax imposed under this section.

67.782. 1. Any county of the third class having a population of more than

2 ten thousand and less than fifteen thousand and any county of the second class
3 having a population of more than fifty-eight thousand and less than seventy
4 thousand adjacent to such third class county, both counties making up the same
5 judicial circuit, may jointly impose a sales tax throughout each of their respective
6 counties **on all retail sales made in the county which are subject to sales**
7 **tax under chapter 144** for public recreational purposes including the financing,
8 acquisition, construction, operation and maintenance of recreational projects and
9 programs, but the sales taxes authorized by this section shall not become effective
10 unless the governing body of each such county submits to the voters of their
11 respective counties a proposal to authorize the counties to impose the sales tax.

12 2. The ballot of submission shall be in substantially the following form:

13 Shall the County of _____ impose a sales tax of _____ percent in
14 conjunction with the county of _____ for the purpose of funding the financing,
15 acquisition, construction, operation and maintenance of recreational projects and
16 programs, including the acquisition of land for such purposes?

17 ☐ YES

☐ NO

18 If a separate majority of the votes cast on the proposal by the qualified voters
19 voting thereon in each county are in favor of the proposal, then the tax shall be
20 in effect in both counties. If a majority of the votes cast by the qualified voters
21 voting thereon in either county are opposed to the proposal, then the governing
22 body of neither county shall have power to impose the sales tax authorized by this
23 section unless or until the governing body of the county that has not approved the
24 tax shall again have submitted another proposal to authorize the governing body
25 to impose the tax, and the proposal is approved by a majority of the qualified
26 voters voting thereon in that county.

27 3. The sales tax may be imposed at a rate of one percent on the receipts
28 from the sale at retail of all tangible personal property or taxable service at retail
29 within the county adopting such tax, if such property and services are subject to
30 taxation by the state of Missouri under [the provisions of sections 144.010 to
31 144.525] **chapter 144**.

32 4. All sales taxes collected by the director of revenue under this section
33 on behalf of any county[, less one percent for the cost of collection, which shall be
34 deposited in the state's general revenue fund after payment of premiums for
35 surety bonds as provided in section 32.087,] shall be deposited with the state
36 treasurer in a special trust fund, which is hereby created, to be known as the
37 "County Recreation Sales Tax Trust Fund". [The moneys in the county recreation

38 sales tax trust fund shall not be deemed to be state funds and shall not be
39 commingled with any funds of the state.] The director of revenue shall keep
40 accurate records of the amount of money in the trust fund which was collected in
41 each county imposing a sales tax under this section, and the records shall be open
42 to the inspection of officers of each county and the general public. Not later than
43 the tenth day of each month, the director of revenue shall distribute all moneys
44 deposited in the trust fund during the preceding month by distributing to the
45 county treasurer, or such other officer as may be designated by the county
46 ordinance or order, of each county imposing the tax authorized by this section, the
47 sum, as certified by the director of revenue, due the county.

48 5. The director of revenue may authorize the state treasurer to make
49 refunds from the amounts in the trust fund and credited to any county for
50 erroneous payments and overpayments made, and may redeem dishonored checks
51 and drafts deposited to the credit of such counties. Each county shall notify the
52 director of revenue [at least ninety days] prior to the effective date of the
53 expiration of the sales tax authorized by this section and **the repeal shall be**
54 **effective as provided by subsection 19 of section 32.087.** The director of
55 revenue may order retention in the trust fund, for a period of one year, of two
56 percent of the amount collected after receipt of such notice to cover possible
57 refunds or overpayment of such tax and to redeem dishonored checks and drafts
58 deposited to the credit of such accounts. After one year has elapsed after the date
59 of expiration of the tax authorized by this section in such county, the director of
60 revenue shall remit the balance in the account to the county and close the account
61 of that county. The director of revenue shall notify each county of each instance
62 of any amount refunded or any check redeemed from receipts due the county.

63 6. The tax authorized by this section may be imposed, in accordance with
64 this section, by a county in addition to or in lieu of the tax authorized by sections
65 67.750 to 67.780.

66 7. Any county imposing a sales tax pursuant to the provisions of this
67 section may contract with the authority of any other county or with any city or
68 political subdivision for the financing, acquisition, operation, construction,
69 maintenance, or utilization of any recreation facility or project or program funded
70 in whole or in part from revenues derived from the tax levied pursuant to the
71 provisions of this section.

72 8. The sales tax imposed pursuant to the provisions of this section shall
73 expire twenty-five years from the effective date thereof unless an extension of the

74 tax is submitted to and approved by the voters in each county in the manner
75 provided in this section. Each extension of the sales tax shall be for a period of
76 ten years.

77 9. The governing body of each of the counties imposing a sales tax under
78 the provisions of this section may cooperate with the governing body of any
79 county or other political subdivision of this state in carrying out the provisions
80 of this section, and may establish and conduct jointly a system of public
81 recreation. The respective governing bodies administering programs jointly may
82 provide by agreement among themselves for all matters connected with the
83 programs and determine what items of cost and expense shall be paid by each.

84 10. The provisions of this section shall not in any way repeal, affect or
85 limit the powers granted to any county to establish, maintain and conduct parks
86 and other recreational grounds for public recreation.

87 11. Except as modified in this section, all provisions of sections 32.085
88 [and] to 32.087 shall apply to the tax imposed under this section.

67.799. 1. A regional recreational district may, by a majority vote of its
2 board of directors, impose an annual property tax for the establishment and
3 maintenance of public parks and recreational facilities and grounds within the
4 boundaries of the regional recreational district not to exceed sixty cents per year
5 on each one hundred dollars of assessed valuation on all property within the
6 district, except that no such tax shall become effective unless the board of
7 directors of the district submits to the voters of the district, at a county or state
8 general, primary or special election, a proposal to authorize the tax.

9 2. The question shall be submitted in substantially the following form:

10 Shall a _____ cent tax per one hundred dollars assessed valuation be
11 levied for public parks and recreational facilities?

12 ☐ YES ☐ NO

13 If a majority of the votes cast on the proposal by the qualified voters voting
14 thereon are in favor of the proposal, then the tax shall become effective **as**
15 **provided by subsection 19 of section 32.087.** If a majority of the votes cast
16 by the qualified voters voting are opposed to the proposal, then the board of
17 directors shall have no power to impose the tax unless and until the board of
18 directors of the district submits another proposal to authorize the tax and such
19 proposal is approved by a majority of the qualified voters voting thereon.

20 3. The property tax authorized in subsections 1 and 2 of this section shall
21 be levied and collected in the same manner as other ad valorem property taxes

22 are levied and collected.

23 4. (1) A regional recreational district may, by a majority vote of its board
24 of directors, impose a tax not to exceed one-half of one cent on all retail sales
25 subject to taxation [pursuant to sections 144.010 to 144.525] **under chapter 144**
26 for the purpose of funding the creation, operation and maintenance of public
27 parks, recreational facilities and grounds within the boundaries of a regional
28 recreational district. The tax authorized by this subsection shall be in addition
29 to all other sales taxes allowed by law. No tax pursuant to this subsection shall
30 become effective unless the board of directors submits to the voters of the district,
31 at a county or state general, primary or special election, a proposal to authorize
32 the tax, and such tax shall become effective only after the majority of the voters
33 voting on such tax approve such tax.

34 (2) In the event the district seeks to impose a sales tax pursuant to this
35 subsection, the question shall be submitted in substantially the following form:

36 Shall a _____ cent sales tax be levied on all retail sales within the district
37 for public parks and recreational facilities?

38 ☐ YES ☐ NO

39 If a majority of the votes cast on the proposal by the qualified voters voting
40 thereon are in favor of the proposal, then the tax shall become effective **as**
41 **provided by subsection 19 of section 32.087.** If a majority of the votes cast
42 by the qualified voters voting are opposed to the proposal, then the board of
43 directors shall have no power to impose the tax unless and until another proposal
44 to authorize the tax is submitted to the voters of the district and such proposal
45 is approved by a majority of the qualified voters voting thereon. The provisions
46 of sections 32.085 [and] to 32.087 shall apply to any tax approved pursuant to
47 this subsection.

48 5. As used in this section, "qualified voters" or "voters" means any
49 individuals residing within the proposed district who are eligible to be registered
50 voters and who have registered to vote under chapter 115 or, if no individuals
51 eligible and registered to vote reside within the proposed district, all of the
52 owners of real property located within the proposed district who have
53 unanimously petitioned for or consented to the adoption of an ordinance by the
54 governing body imposing a tax authorized in this section. If the owner of the
55 property within the proposed district is a political subdivision or corporation of
56 the state, the governing body of such political subdivision or corporation shall be
57 considered the owner for purposes of this section.

67.997. 1. The governing body of any county of the third classification
2 without a township form of government and with more than eighteen thousand
3 one hundred but fewer than eighteen thousand two hundred inhabitants may
4 impose, by order or ordinance, a sales tax on all retail sales made within the
5 county which are subject to sales tax under chapter 144. The tax authorized in
6 this section shall not exceed one-fourth of one percent, and shall be imposed
7 solely for the purpose of funding senior services and youth programs provided by
8 the county. One-half of all revenue collected under this section[, less one-half the
9 cost of collection,] shall be used solely to fund any service or activity deemed
10 necessary by the senior service tax commission established in this section, and
11 one-half of all revenue collected under this section[, less one-half the cost of
12 collection,] shall be used solely to fund all youth programs administered by an
13 existing county community task force. The tax authorized in this section shall be
14 in addition to all other sales taxes imposed by law, and shall be stated separately
15 from all other charges and taxes. The order or ordinance shall not become
16 effective unless the governing body of the county submits to the voters residing
17 within the county at a state general, primary, or special election a proposal to
18 authorize the governing body of the county to impose a tax under this section.

19 2. The ballot of submission for the tax authorized in this section shall be
20 in substantially the following form:

21 Shall _____ (insert the name of the county) impose a sales tax at a rate
22 of _____ (insert rate of percent) percent, with half of the revenue from the tax,
23 less one-half the cost of collection, to be used solely to fund senior services
24 provided by the county and half of the revenue from the tax, less one-half the cost
25 of collection, to be used solely to fund youth programs provided by the county?

26 ☐ YES ☐ NO

27 If you are in favor of the question, place an "X" in the box opposite "YES". If you
28 are opposed to the question, place an "X" in the box opposite "NO".

29 If a majority of the votes cast on the question by the qualified voters voting
30 thereon are in favor of the question, then the tax shall become effective [on the
31 first day of the second calendar quarter immediately following the approval of the
32 tax or notification to the department of revenue if such tax will be administered
33 by the department of revenue] **as provided by subsection 19 of section**
34 **32.087**. If a majority of the votes cast on the question by the qualified voters
35 voting thereon are opposed to the question, then the tax shall not become effective
36 unless and until the question is resubmitted under this section to the qualified

37 voters and such question is approved by a majority of the qualified voters voting
38 on the question.

39 3. [On or after the effective date of any tax authorized under this section,
40 the county which imposed the tax shall enter into an agreement with the director
41 of the department of revenue for the purpose of collecting the tax authorized in
42 this section. On or after the effective date of the tax the director of revenue shall
43 be responsible for the administration, collection, enforcement, and operation of
44 the tax, and] Sections 32.085 [and] to 32.087 shall apply. All revenue collected
45 under this section by the director of the department of revenue on behalf of any
46 county[, except for one percent for the cost of collection which shall be deposited
47 in the state's general revenue fund,] shall be deposited in a special trust fund,
48 which is hereby created and shall be known as the "Senior Services and Youth
49 Programs Sales Tax Trust Fund", and shall be used solely for the designated
50 purposes. [Moneys in the fund shall not be deemed to be state funds, and shall
51 not be commingled with any funds of the state.] The director may make refunds
52 from the amounts in the trust fund and credited to the county for erroneous
53 payments and overpayments made, and may redeem dishonored checks and drafts
54 deposited to the credit of such county. Any funds in the special trust fund which
55 are not needed for current expenditures shall be invested in the same manner as
56 other funds are invested. Any interest and moneys earned on such investments
57 shall be credited to the fund.

58 4. [In order to permit sellers required to collect and report the sales tax
59 to collect the amount required to be reported and remitted, but not to change the
60 requirements of reporting or remitting the tax, or to serve as a levy of the tax,
61 and in order to avoid fractions of pennies, the governing body of the county may
62 authorize the use of a bracket system similar to that authorized in section
63 144.285 and notwithstanding the provisions of that section, this new bracket
64 system shall be used where this tax is imposed and shall apply to all taxable
65 transactions.] Beginning with the effective date of the tax, every retailer in the
66 county shall add the sales tax to the sale price, and this tax shall be a debt of the
67 purchaser to the retailer until paid, and shall be recoverable at law in the same
68 manner as the purchase price. [For purposes of this section, all retail sales shall
69 be deemed to be consummated at the place of business of the retailer.]

70 5. All applicable provisions in [sections 144.010 to 144.525] **chapter 144**
71 governing the state sales tax, and section 32.057, the uniform confidentiality
72 provision, shall apply to the collection of the tax[, and all exemptions granted to

73 agencies of government, organizations, and persons under sections 144.010 to
74 144.525 are hereby made applicable to the imposition and collection of the
75 tax. The same sales tax permit, exemption certificate, and retail certificate
76 required by sections 144.010 to 144.525 for the administration and collection of
77 the state sales tax shall satisfy the requirements of this section, and no
78 additional permit or exemption certificate or retail certificate shall be required;
79 except that, the director of revenue may prescribe a form of exemption certificate
80 for an exemption from the tax. All discounts allowed the retailer under the state
81 sales tax for the collection of and for payment of taxes are hereby allowed and
82 made applicable to the tax. The penalties for violations provided in section
83 32.057 and sections 144.010 to 144.525 are hereby made applicable to violations
84 of this section. If any person is delinquent in the payment of the amount
85 required to be paid under this section, or in the event a determination has been
86 made against the person for taxes and penalty under this section, the limitation
87 for bringing suit for the collection of the delinquent tax and penalty shall be the
88 same as that provided in sections 144.010 to 144.525].

89 6. The governing body of any county that has adopted the sales tax
90 authorized in this section may submit the question of repeal of the tax to the
91 voters on any date available for elections for the county. The ballot of submission
92 shall be in substantially the following form:

93 Shall _____ (insert the name of the county) repeal the sales tax imposed
94 at a rate of _____ (insert rate of percent) percent for the purpose of funding
95 senior services and youth programs provided by the county?

96 ☐ YES ☐ NO

97 If you are in favor of the question, place an "X" in the box opposite "YES". If you
98 are opposed to the question, place an "X" in the box opposite "NO".

99 If a majority of the votes cast on the question by the qualified voters voting
100 thereon are in favor of repeal, that repeal shall become effective [on December
101 thirty-first of the calendar year in which such repeal was approved] **as provided**
102 **by subsection 19 of section 32.087**. If a majority of the votes cast on the
103 question by the qualified voters voting thereon are opposed to the repeal, then the
104 sales tax authorized in this section shall remain effective until the question is
105 resubmitted under this section to the qualified voters and the repeal is approved
106 by a majority of the qualified voters voting on the question.

107 7. Whenever the governing body of any county that has adopted the sales
108 tax authorized in this section receives a petition, signed by ten percent of the

109 registered voters of the county voting in the last gubernatorial election, calling
110 for an election to repeal the sales tax imposed under this section, the governing
111 body shall submit to the voters of the county a proposal to repeal the tax. If a
112 majority of the votes cast on the question by the qualified voters voting thereon
113 are in favor of the repeal, the repeal shall become effective [on December
114 thirty-first of the calendar year in which such repeal was approved] **as provided**
115 **by subsection 19 of section 32.087.** If a majority of the votes cast on the
116 question by the qualified voters voting thereon are opposed to the repeal, then the
117 sales tax authorized in this section shall remain effective until the question is
118 resubmitted under this section to the qualified voters and the repeal is approved
119 by a majority of the qualified voters voting on the question.

120 8. If the tax is repealed or terminated by any means, all funds remaining
121 in the special trust fund shall continue to be used solely for the designated
122 purposes, and the county shall notify the director of the department of revenue
123 of the action [at least thirty days] before the effective date of the repeal and the
124 director may order retention in the trust fund, for a period of one year, of two
125 percent of the amount collected after receipt of such notice to cover possible
126 refunds or overpayment of the tax and to redeem dishonored checks and drafts
127 deposited to the credit of such accounts. After one year has elapsed after the
128 effective date of abolition of the tax in such county, the director shall remit the
129 balance in the account to the county and close the account of that county. The
130 director shall notify each county of each instance of any amount refunded or any
131 check redeemed from receipts due the county.

132 9. Each county imposing the tax authorized in this section shall establish
133 a senior services tax commission to administer the portion of the sales tax
134 revenue dedicated to providing senior services. Such commission shall consist of
135 seven members appointed by the county commission. The county commission
136 shall determine the qualifications, terms of office, compensation, powers, duties,
137 restrictions, procedures, and all other necessary functions of the commission.

67.1300. 1. The governing body of any of the contiguous counties of the
2 third classification without a township form of government enumerated in
3 subdivisions (1) to (5) of this subsection or in any county of the fourth
4 classification acting as a county of the second classification, having a population
5 of at least forty thousand but less than forty-five thousand with a state
6 university, and adjoining a county of the first classification with part of a city
7 with a population of three hundred fifty thousand or more inhabitants or a county

8 of the third classification with a township form of government and with a
9 population of at least eight thousand but less than eight thousand four hundred
10 inhabitants or a county of the third classification with more than fifteen
11 townships having a population of at least twenty-one thousand inhabitants or a
12 county of the third classification without a township form of government and with
13 a population of at least seven thousand four hundred but less than eight
14 thousand inhabitants or any county of the third classification with a population
15 greater than three thousand but less than four thousand or any county of the
16 third classification with a population greater than six thousand one hundred but
17 less than six thousand four hundred or any county of the third classification with
18 a population greater than six thousand eight hundred but less than seven
19 thousand or any county of the third classification with a population greater than
20 seven thousand eight hundred but less than seven thousand nine hundred or any
21 county of the third classification with a population greater than eight thousand
22 four hundred sixty but less than eight thousand five hundred or any county of the
23 third classification with a population greater than nine thousand but less than
24 nine thousand two hundred or any county of the third classification with a
25 population greater than ten thousand five hundred but less than ten thousand six
26 hundred or any county of the third classification with a population greater than
27 twenty-three thousand five hundred but less than twenty-three thousand seven
28 hundred or a county of the third classification with a population greater than
29 thirty-three thousand but less than thirty-four thousand or a county of the third
30 classification with a population greater than twenty thousand eight hundred but
31 less than twenty-one thousand or a county of the third classification with a
32 population greater than fourteen thousand one hundred but less than fourteen
33 thousand five hundred or a county of the third classification with a population
34 greater than twenty thousand eight hundred fifty but less than twenty-two
35 thousand or a county of the third classification with a population greater than
36 thirty-nine thousand but less than forty thousand or a county of the third
37 classification with a township form of organization and a population greater than
38 twenty-eight thousand but less than twenty-nine thousand or a county of the
39 third classification with a population greater than fifteen thousand but less than
40 fifteen thousand five hundred or a county of the third classification with a
41 population greater than eighteen thousand but less than nineteen thousand
42 seventy or a county of the third classification with a population greater than
43 thirteen thousand nine hundred but less than fourteen thousand four hundred or

44 a county of the third classification with a population greater than twenty-seven
45 thousand but less than twenty-seven thousand five hundred or a county of the
46 first classification without a charter form of government and a population of at
47 least eighty thousand but not greater than eighty-three thousand or a county of
48 the third classification with a population greater than fifteen thousand but less
49 than fifteen thousand nine hundred without a township form of government
50 which does not adjoin any county of the first, second or fourth classification or a
51 county of the third classification with a population greater than twenty-three
52 thousand but less than twenty-five thousand without a township form of
53 government which does not adjoin any county of the second or fourth
54 classification and does adjoin a county of the first classification with a population
55 greater than one hundred twenty thousand but less than one hundred fifty
56 thousand or in any county of the fourth classification acting as a county of the
57 second classification, having a population of at least forty-eight thousand or any
58 governing body of a municipality located in any of such counties may impose, by
59 ordinance or order, a sales tax on all retail sales made in such county or
60 municipality which are subject to taxation [pursuant to the provisions of sections
61 144.010 to 144.525] **under chapter 144:**

62 (1) A county with a population of at least four thousand two hundred
63 inhabitants but not more than four thousand five hundred inhabitants;

64 (2) A county with a population of at least four thousand seven hundred
65 inhabitants but not more than four thousand nine hundred inhabitants;

66 (3) A county with a population of at least seven thousand three hundred
67 inhabitants but not more than seven thousand six hundred inhabitants;

68 (4) A county with a population of at least ten thousand one hundred
69 inhabitants but not more than ten thousand three hundred inhabitants; and

70 (5) A county with a population of at least four thousand three hundred
71 inhabitants but not more than four thousand five hundred inhabitants.

72 2. The maximum rate for a sales tax pursuant to this section shall be one
73 percent for municipalities and one-half of one percent for counties.

74 3. The tax authorized by this section shall be in addition to any and all
75 other sales taxes allowed by law, except that no ordinance or order imposing a
76 sales tax pursuant to the provisions of this section shall be effective unless the
77 governing body of the county or municipality submits to the voters of the county
78 or municipality, at a regularly scheduled county, municipal or state general or
79 primary election, a proposal to authorize the governing body of the county or

80 municipality to impose a tax. Any sales tax imposed pursuant to this section
81 shall not be authorized for a period of more than five years.

82 4. Such proposal shall be submitted in substantially the following form:

83 Shall the (city, town, village or county) of _____ impose a sales tax of
84 _____ (insert amount) for the purpose of economic development in the (city, town,
85 village or county)?

86 ☐ YES

☐ NO

87 If a majority of the votes cast on the proposal by the qualified voters voting
88 thereon are in favor of the proposal, then the ordinance or order and any
89 amendments thereto shall be in effect [on the first day of the second quarter after
90 the director of revenue receives notice of adoption of the tax] **as provided in**
91 **subsection 19 of section 32.087.** If a majority of the votes cast by the
92 qualified voters voting are opposed to the proposal, then the governing body of the
93 county or municipality shall not impose the sales tax authorized in this section
94 until the governing body of the county or municipality resubmits another proposal
95 to authorize the governing body of the county or municipality to impose the sales
96 tax authorized by this section and such proposal is approved by a majority of the
97 qualified voters voting thereon; however no such proposal shall be resubmitted
98 to the voters sooner than twelve months from the date of the submission of the
99 last such proposal.

100 5. All revenue received by a county or municipality from the tax
101 authorized pursuant to the provisions of this section shall be deposited in a
102 special trust fund and shall be used solely for economic development purposes
103 within such county or municipality for so long as the tax shall remain in effect.

104 6. Once the tax authorized by this section is abolished or is terminated by
105 any means, all funds remaining in the special trust fund shall be used solely for
106 economic development purposes within the county or municipality. Any funds in
107 such special trust fund which are not needed for current expenditures may be
108 invested by the governing body in accordance with applicable laws relating to the
109 investment of other county or municipal funds.

110 7. All sales taxes collected by the director of revenue pursuant to this
111 section on behalf of any county or municipality, [less one percent for cost of
112 collection which shall be deposited in the state's general revenue fund after
113 payment of premiums for surety bonds as provided in section 32.087,] shall be
114 deposited in a special trust fund, which is hereby created, to be known as the
115 "Local Economic Development Sales Tax Trust Fund".

116 8. [The moneys in the local economic development sales tax trust fund
117 shall not be deemed to be state funds and shall not be commingled with any funds
118 of the state.] The director of revenue shall keep accurate records of the amount
119 of money in the trust fund and which was collected in each county or municipality
120 imposing a sales tax pursuant to this section, and the records shall be open to the
121 inspection of officers of the county or municipality and the public.

122 9. Not later than the tenth day of each month the director of revenue shall
123 distribute all moneys deposited in the trust fund during the preceding month to
124 the county or municipality which levied the tax. Such funds shall be deposited
125 with the county treasurer of each such county or the appropriate municipal officer
126 in the case of a municipal tax, and all expenditures of funds arising from the local
127 economic development sales tax trust fund shall be by an appropriation act to be
128 enacted by the governing body of each such county or municipality. Expenditures
129 may be made from the fund for any economic development purposes authorized
130 in the ordinance or order adopted by the governing body submitting the tax to the
131 voters.

132 10. The director of revenue may authorize the state treasurer to make
133 refunds from the amounts in the trust fund and credited to any county or
134 municipality for erroneous payments and overpayments made, and may redeem
135 dishonored checks and drafts deposited to the credit of such counties and
136 municipalities.

137 11. If any county or municipality abolishes the tax, the county or
138 municipality shall notify the director of revenue of the action [at least ninety
139 days] prior to the effective date of the repeal and **the repeal shall be effective**
140 **as provided by subsection 19 of section 32.087.** The director of revenue may
141 order retention in the trust fund, for a period of one year, of two percent of the
142 amount collected after receipt of such notice to cover possible refunds or
143 overpayment of the tax and to redeem dishonored checks and drafts deposited to
144 the credit of such accounts. After one year has elapsed after the effective date of
145 abolition of the tax in such county or municipality, the director of revenue shall
146 remit the balance in the account to the county or municipality and close the
147 account of that county or municipality. The director of revenue shall notify each
148 county or municipality of each instance of any amount refunded or any check
149 redeemed from receipts due the county or municipality.

150 12. Except as modified in this section, all provisions of sections 32.085
151 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

152 13. For purposes of this section, the term "economic development" is
153 limited to the following:

154 (1) Operations of economic development or community development
155 offices, including the salaries of employees;

156 (2) Provision of training for job creation or retention;

157 (3) Provision of infrastructure and sites for industrial development or for
158 public infrastructure projects; and

159 (4) Refurbishing of existing structures and property relating to community
160 development.

67.1303. 1. The governing body of any home rule city with more than one
2 hundred fifty-one thousand five hundred but less than one hundred fifty-one
3 thousand six hundred inhabitants, any home rule city with more than forty-five
4 thousand five hundred but less than forty-five thousand nine hundred inhabitants
5 and the governing body of any city within any county of the first classification
6 with more than one hundred four thousand six hundred but less than one
7 hundred four thousand seven hundred inhabitants and the governing body of any
8 county of the third classification without a township form of government and with
9 more than forty thousand eight hundred but less than forty thousand nine
10 hundred inhabitants or any city within such county may impose, by order or
11 ordinance, a sales tax on all retail sales made in the city or county which are
12 subject to sales tax under chapter 144. In addition, the governing body of any
13 county of the first classification with more than eighty-five thousand nine
14 hundred but less than eighty-six thousand inhabitants or the governing body of
15 any home rule city with more than seventy-three thousand but less than
16 seventy-five thousand inhabitants may impose, by order or ordinance, a sales tax
17 on all retail sales made in the city or county which are subject to sales tax under
18 chapter 144. The tax authorized in this section shall not be more than one-half
19 of one percent. The order or ordinance imposing the tax shall not become
20 effective unless the governing body of the city or county submits to the voters of
21 the city or county at a state general or primary election a proposal to authorize
22 the governing body to impose a tax under this section. The tax authorized in this
23 section shall be in addition to all other sales taxes imposed by law, and shall be
24 stated separately from all other charges and taxes.

25 2. The ballot of submission for the tax authorized in this section shall be
26 in substantially the following form:

27 Shall _____ (insert the name of the city or county) impose a sales tax at

28 a rate of _____ (insert rate of percent) percent for economic development
29 purposes?

30 ☐ YES ☐ NO

31 If a majority of the votes cast on the question by the qualified voters voting
32 thereon are in favor of the question, then the tax shall become effective [on the
33 first day of the second calendar quarter following the calendar quarter in which
34 the election was held] **as provided by subsection 19 of section 32.087.** If a
35 majority of the votes cast on the question by the qualified voters voting thereon
36 are opposed to the question, then the tax shall not become effective unless and
37 until the question is resubmitted under this section to the qualified voters and
38 such question is approved by a majority of the qualified voters voting on the
39 question, provided that no proposal shall be resubmitted to the voters sooner than
40 twelve months from the date of the submission of the last proposal.

41 3. No revenue generated by the tax authorized in this section shall be
42 used for any retail development project. At least twenty percent of the revenue
43 generated by the tax authorized in this section shall be used solely for projects
44 directly related to long-term economic development preparation, including, but
45 not limited to, the following:

- 46 (1) Acquisition of land;
47 (2) Installation of infrastructure for industrial or business parks;
48 (3) Improvement of water and wastewater treatment capacity;
49 (4) Extension of streets;
50 (5) Providing matching dollars for state or federal grants;
51 (6) Marketing;
52 (7) Construction and operation of job training and educational facilities;
53 and
54 (8) Providing grants and low-interest loans to companies for job training,
55 equipment acquisition, site development, and infrastructure. Not more than
56 twenty-five percent of the revenue generated may be used annually for
57 administrative purposes, including staff and facility costs.

58 4. All revenue generated by the tax shall be deposited in a special trust
59 fund and shall be used solely for the designated purposes. If the tax is repealed,
60 all funds remaining in the special trust fund shall continue to be used solely for
61 the designated purposes. Any funds in the special trust fund which are not
62 needed for current expenditures may be invested by the governing body in
63 accordance with applicable laws relating to the investment of other city or county

64 funds.

65 **5. The director of revenue may authorize the state treasurer to**
66 **make refunds from the amounts in the trust fund and credited to any**
67 **city or county for erroneous payments in the trust fund and credited**
68 **to any city or county for erroneous payments and overpayments made,**
69 **and may redeem dishonored checks and drafts deposited to the credit**
70 **of such counties. If any city or county abolishes the tax authorized**
71 **under this section, the repeal of such tax shall become effective as**
72 **provided by subsection 19 of section 32.087. Each city or county shall**
73 **notify the director of revenue prior to the effective date of the**
74 **expiration of the sales tax authorized by this section and the repeal**
75 **shall be effective as provided by subsection 19 of section 32.087. The**
76 **director of revenue may order retention in the trust fund, for a period**
77 **of one year, of two percent of the amount collected after receipt of such**
78 **notice to cover possible refunds or overpayment of such tax and to**
79 **redeem dishonored checks and drafts deposited to the credit of such**
80 **accounts. After one year has elapsed after the date of expiration of the**
81 **tax authorized by this section in such city or county, the director of**
82 **revenue shall remit the balance in the account to the city or county and**
83 **close the account of that city or county. The director of revenue shall**
84 **notify each city or county of each instance of any amount refunded or**
85 **any check redeemed from receipts due the city or county.**

86 **6. Any city or county imposing the tax authorized in this section shall**
87 **establish an economic development tax board. The board shall consist of eleven**
88 **members, to be appointed as follows:**

89 (1) Two members shall be appointed by the school boards whose districts
90 are included within any economic development plan or area funded by the sales
91 tax authorized in this section. Such members shall be appointed in any manner
92 agreed upon by the affected districts;

93 (2) One member shall be appointed, in any manner agreed upon by the
94 affected districts, to represent all other districts levying ad valorem taxes within
95 the area selected for an economic development project or area funded by the sales
96 tax authorized in this section, excluding representatives of the governing body of
97 the city or county;

98 (3) One member shall be appointed by the largest public school district in
99 the city or county;

100 (4) In each city or county, five members shall be appointed by the chief
101 elected officer of the city or county with the consent of the majority of the
102 governing body of the city or county;

103 (5) In each city, two members shall be appointed by the governing body
104 of the county in which the city is located. In each county, two members shall be
105 appointed by the governing body of the county. At the option of the members
106 appointed by a city or county the members who are appointed by the school
107 boards and other taxing districts may serve on the board for a term to coincide
108 with the length of time an economic development project, plan, or designation of
109 an economic development area is considered for approval by the board, or for the
110 definite terms as provided in this subsection. If the members representing school
111 districts and other taxing districts are appointed for a term coinciding with the
112 length of time an economic development project, plan, or area is approved, such
113 term shall terminate upon final approval of the project, plan, or designation of
114 the area by the governing body of the city or county. If any school district or
115 other taxing jurisdiction fails to appoint members of the board within thirty days
116 of receipt of written notice of a proposed economic development plan, economic
117 development project, or designation of an economic development area, the
118 remaining members may proceed to exercise the power of the board. Of the
119 members first appointed by the city or county, three shall be designated to serve
120 for terms of two years, three shall be designated to serve for a term of three
121 years, and the remaining members shall be designated to serve for a term of four
122 years from the date of such initial appointments. Thereafter, the members
123 appointed by the city or county shall serve for a term of four years, except that
124 all vacancies shall be filled for unexpired terms in the same manner as were the
125 original appointments.

126 **[6.] 7.** The board, subject to approval of the governing body of the city or
127 county, shall develop economic development plans, economic development
128 projects, or designations of an economic development area, and shall hold public
129 hearings and provide notice of any such hearings. The board shall vote on all
130 proposed economic development plans, economic development projects, or
131 designations of an economic development area, and amendments thereto, within
132 thirty days following completion of the hearing on any such plan, project, or
133 designation, and shall make recommendations to the governing body within
134 ninety days of the hearing concerning the adoption of or amendment to economic
135 development plans, economic development projects, or designations of an economic

136 development area.

137 [7.] 8. The board shall report at least annually to the governing body of
138 the city or county on the use of the funds provided under this section and on the
139 progress of any plan, project, or designation adopted under this section.

140 [8.] 9. The governing body of any city or county that has adopted the
141 sales tax authorized in this section may submit the question of repeal of the tax
142 to the voters on any date available for elections for the city or county. The ballot
143 of submission shall be in substantially the following form:

144 Shall _____ (insert the name of the city or county) repeal the sales tax
145 imposed at a rate of _____ (insert rate of percent) percent for economic
146 development purposes?

147 ☐ YES ☐ NO

148 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
149 shall become effective [on December thirty-first of the calendar year in which
150 such repeal was approved] **as provided by subsection 19 of section 32.087.**
151 If a majority of the votes cast on the question by the qualified voters voting
152 thereon are opposed to the repeal, then the sales tax authorized in this section
153 shall remain effective until the question is resubmitted under this section to the
154 qualified voters of the city or county, and the repeal is approved by a majority of
155 the qualified voters voting on the question.

156 [9.] 10. Whenever the governing body of any city or county that has
157 adopted the sales tax authorized in this section receives a petition, signed by ten
158 percent of the registered voters of the city or county voting in the last
159 gubernatorial election, calling for an election to repeal the sales tax imposed
160 under this section, the governing body shall submit to the voters a proposal to
161 repeal the tax. If a majority of the votes cast on the question by the qualified
162 voters voting thereon are in favor of the repeal, that repeal shall become effective
163 on December thirty-first of the calendar year in which such repeal was approved.
164 If a majority of the votes cast on the question by the qualified voters voting
165 thereon are opposed to the repeal, then the tax shall remain effective until the
166 question is resubmitted under this section to the qualified voters and the repeal
167 is approved by a majority of the qualified voters voting on the question. **If the**
168 **city or county abolishes the tax, the city or county shall notify the**
169 **director of revenue of the action at least one hundred twenty days**
170 **prior to the effective date of the repeal.**

171 11. After the effective date of any tax imposed under the

172 provisions of this section, the director of revenue shall perform all
173 functions incident to the administration, collection, enforcement, and
174 operation of the tax and collect, in addition to the sales tax for the
175 state of Missouri, the additional tax authorized under this section. The
176 tax imposed under this section and the tax imposed under the sales tax
177 law of the state of Missouri shall be collected together and reported
178 upon such forms and under such administrative rules and regulations
179 as may be prescribed by the director of revenue.

180 12. Except as provided in this section, all provisions of sections
181 32.085 to 32.087 shall apply to the tax imposed under this section.

67.1305. 1. As used in this section, the term "city" shall mean any
2 incorporated city, town, or village.

3 2. In lieu of the sales taxes authorized under sections 67.1300 and
4 67.1303, the governing body of any city or county may impose, by order or
5 ordinance, a sales tax on all retail sales made in the city or county which are
6 subject to sales tax under chapter 144. The tax authorized in this section shall
7 not be more than one-half of one percent. The order or ordinance imposing the
8 tax shall not become effective unless the governing body of the city or county
9 submits to the voters of the city or county at any citywide, county or state
10 general, primary or special election a proposal to authorize the governing body
11 to impose a tax under this section. The tax authorized in this section shall be in
12 addition to all other sales taxes imposed by law, and shall be stated separately
13 from all other charges and taxes. The tax authorized in this section shall not be
14 imposed by any city or county that has imposed a tax under section 67.1300 or
15 67.1303 unless the tax imposed under those sections has expired or been
16 repealed.

17 3. The ballot of submission for the tax authorized in this section shall be
18 in substantially the following form:

19 Shall _____ (insert the name of the city or county) impose a sales tax at
20 a rate of _____ (insert rate of percent) percent for economic development
21 purposes?

22 ☐ YES ☐ NO

23 If a majority of the votes cast on the question by the qualified voters voting
24 thereon are in favor of the question, then the tax shall become effective [on the
25 first day of the second calendar quarter following the calendar quarter in which
26 the election was held] as provided by subsection 19 of section 32.087. If a

27 majority of the votes cast on the question by the qualified voters voting thereon
28 are opposed to the question, then the tax shall not become effective unless and
29 until the question is resubmitted under this section to the qualified voters and
30 such question is approved by a majority of the qualified voters voting on the
31 question, provided that no proposal shall be resubmitted to the voters sooner than
32 twelve months from the date of the submission of the last proposal.

33 4. All sales taxes collected by the director of revenue under this section
34 on behalf of any county or municipality, less one percent for cost of collection
35 which shall be deposited in the state's general revenue fund after payment of
36 premiums for surety bonds as provided in section 32.087, shall be deposited in a
37 special trust fund, which is hereby created, to be known as the "Local Option
38 Economic Development Sales Tax Trust Fund".

39 5. [The moneys in the local option economic development sales tax trust
40 fund shall not be deemed to be state funds and shall not be commingled with any
41 funds of the state.] The director of revenue shall keep accurate records of the
42 amount of money in the trust fund and which was collected in each city or county
43 imposing a sales tax pursuant to this section, and the records shall be open to the
44 inspection of officers of the city or county and the public.

45 6. Not later than the tenth day of each month the director of revenue shall
46 distribute all moneys deposited in the trust fund during the preceding month to
47 the city or county which levied the tax. Such funds shall be deposited with the
48 county treasurer of each such county or the appropriate municipal officer in the
49 case of a municipal tax, and all expenditures of funds arising from the local
50 economic development sales tax trust fund shall be in accordance with this
51 section.

52 7. The director of revenue may authorize the state treasurer to make
53 refunds from the amounts in the trust fund and credited to any city or county for
54 erroneous payments and overpayments made, and may redeem dishonored checks
55 and drafts deposited to the credit of such cities and counties.

56 8. If any county or municipality abolishes the tax, the city or county shall
57 notify the director of revenue of the action [at least ninety days] prior to the
58 effective date of the repeal and **the repeal shall be effective as provided by**
59 **subsection 19 of section 32.087.** The director of revenue may order retention
60 in the trust fund, for a period of one year, of two percent of the amount collected
61 after receipt of such notice to cover possible refunds or overpayment of the tax
62 and to redeem dishonored checks and drafts deposited to the credit of such

63 accounts. After one year has elapsed after the effective date of abolition of the
64 tax in such city or county, the director of revenue shall remit the balance in the
65 account to the city or county and close the account of that city or county. The
66 director of revenue shall notify each city or county of each instance of any amount
67 refunded or any check redeemed from receipts due the city or county.

68 9. Except as modified in this section, all provisions of sections 32.085
69 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

70 10. (1) No revenue generated by the tax authorized in this section shall
71 be used for any retail development project, except for the redevelopment of
72 downtown areas and historic districts. Not more than twenty-five percent of the
73 revenue generated shall be used annually for administrative purposes, including
74 staff and facility costs.

75 (2) At least twenty percent of the revenue generated by the tax
76 authorized in this section shall be used solely for projects directly related to
77 long-term economic development preparation, including, but not limited to, the
78 following:

- 79 (a) Acquisition of land;
- 80 (b) Installation of infrastructure for industrial or business parks;
- 81 (c) Improvement of water and wastewater treatment capacity;
- 82 (d) Extension of streets;
- 83 (e) Public facilities directly related to economic development and job
84 creation; and
- 85 (f) Providing matching dollars for state or federal grants relating to such
86 long-term projects.

87 (3) The remaining revenue generated by the tax authorized in this section
88 may be used for, but shall not be limited to, the following:

- 89 (a) Marketing;
- 90 (b) Providing grants and loans to companies for job training, equipment
91 acquisition, site development, and infrastructures;
- 92 (c) Training programs to prepare workers for advanced technologies and
93 high skill jobs;
- 94 (d) Legal and accounting expenses directly associated with the economic
95 development planning and preparation process;
- 96 (e) Developing value-added and export opportunities for Missouri
97 agricultural products.

98 11. All revenue generated by the tax shall be deposited in a special trust

99 fund and shall be used solely for the designated purposes. If the tax is repealed,
100 all funds remaining in the special trust fund shall continue to be used solely for
101 the designated purposes. Any funds in the special trust fund which are not
102 needed for current expenditures may be invested by the governing body in
103 accordance with applicable laws relating to the investment of other city or county
104 funds.

105 12. (1) Any city or county imposing the tax authorized in this section
106 shall establish an economic development tax board. The volunteer board shall
107 receive no compensation or operating budget.

108 (2) The economic development tax board established by a city shall consist
109 of at least five members, but may be increased to nine members. Either a
110 five-member or nine-member board shall be designated in the order or ordinance
111 imposing the sales tax authorized by this section, and the members are to be
112 appointed as follows:

113 (a) One member of a five-member board, or two members of a
114 nine-member board, shall be appointed by the school districts included within any
115 economic development plan or area funded by the sales tax authorized in this
116 section. Such member or members shall be appointed in any manner agreed upon
117 by the affected districts;

118 (b) Three members of a five-member board, or five members of a
119 nine-member board, shall be appointed by the chief elected officer of the city with
120 the consent of the majority of the governing body of the city;

121 (c) One member of a five-member board, or two members of a nine-member
122 board, shall be appointed by the governing body of the county in which the city
123 is located.

124 (3) The economic development tax board established by a county shall
125 consist of seven members, to be appointed as follows:

126 (a) One member shall be appointed by the school districts included within
127 any economic development plan or area funded by the sales tax authorized in this
128 section. Such member shall be appointed in any manner agreed upon by the
129 affected districts;

130 (b) Four members shall be appointed by the governing body of the county;
131 and

132 (c) Two members from the cities, towns, or villages within the county
133 appointed in any manner agreed upon by the chief elected officers of the cities or
134 villages.

135 Of the members initially appointed, three shall be designated to serve for terms
136 of two years, except that when a nine-member board is designated, seven of the
137 members initially appointed shall be designated to serve for terms of two years,
138 and the remaining members shall be designated to serve for a term of four years
139 from the date of such initial appointments. Thereafter, the members appointed
140 shall serve for a term of four years, except that all vacancies shall be filled for
141 unexpired terms in the same manner as were the original appointments.

142 (4) If an economic development tax board established by a city is already
143 in existence on August 28, 2012, any increase in the number of members of the
144 board shall be designated in an order or ordinance. The four board members
145 added to the board shall be appointed to a term with an expiration coinciding
146 with the expiration of the terms of the three board member positions that were
147 originally appointed to terms of two years. Thereafter, the additional members
148 appointed shall serve for a term of four years, except that all vacancies shall be
149 filled for unexpired terms in the same manner as were the additional
150 appointments.

151 13. The board, subject to approval of the governing body of the city or
152 county, shall consider economic development plans, economic development
153 projects, or designations of an economic development area, and shall hold public
154 hearings and provide notice of any such hearings. The board shall vote on all
155 proposed economic development plans, economic development projects, or
156 designations of an economic development area, and amendments thereto, within
157 thirty days following completion of the hearing on any such plan, project, or
158 designation, and shall make recommendations to the governing body within
159 ninety days of the hearing concerning the adoption of or amendment to economic
160 development plans, economic development projects, or designations of an economic
161 development area. The governing body of the city or county shall have the final
162 determination on use and expenditure of any funds received from the tax imposed
163 under this section.

164 14. The board may consider and recommend using funds received from the
165 tax imposed under this section for plans, projects or area designations outside the
166 boundaries of the city or county imposing the tax if, and only if:

167 (1) The city or county imposing the tax or the state receives significant
168 economic benefit from the plan, project or area designation; and

169 (2) The board establishes an agreement with the governing bodies of all
170 cities and counties in which the plan, project or area designation is located

171 detailing the authority and responsibilities of each governing body with regard
172 to the plan, project or area designation.

173 15. Notwithstanding any other provision of law to the contrary, the
174 economic development sales tax imposed under this section when imposed within
175 a special taxing district, including but not limited to a tax increment financing
176 district, neighborhood improvement district, or community improvement district,
177 shall be excluded from the calculation of revenues available to such districts, and
178 no revenues from any sales tax imposed under this section shall be used for the
179 purposes of any such district unless recommended by the economic development
180 tax board established under this section and approved by the governing body
181 imposing the tax.

182 16. The board and the governing body of the city or county imposing the
183 tax shall report at least annually to the governing body of the city or county on
184 the use of the funds provided under this section and on the progress of any plan,
185 project, or designation adopted under this section and shall make such report
186 available to the public.

187 17. Not later than the first day of March each year the board shall submit
188 to the joint committee on economic development a report, not exceeding one page
189 in length, which must include the following information for each project using the
190 tax authorized under this section:

- 191 (1) A statement of its primary economic development goals;
- 192 (2) A statement of the total economic development sales tax revenues
193 received during the immediately preceding calendar year;
- 194 (3) A statement of total expenditures during the preceding calendar year
195 in each of the following categories:
- 196 (a) Infrastructure improvements;
- 197 (b) Land and/or buildings;
- 198 (c) Machinery and equipment;
- 199 (d) Job training investments;
- 200 (e) Direct business incentives;
- 201 (f) Marketing;
- 202 (g) Administration and legal expenses; and
- 203 (h) Other expenditures.

204 18. The governing body of any city or county that has adopted the sales
205 tax authorized in this section may submit the question of repeal of the tax to the
206 voters on any date available for elections for the city or county. The ballot of

207 submission shall be in substantially the following form:

208 Shall _____ (insert the name of the city or county) repeal the sales tax
209 imposed at a rate of _____ (insert rate of percent) percent for economic
210 development purposes?

211 ☐ YES ☐ NO

212 If a majority of the votes cast on the proposal are in favor of the repeal, that
213 repeal shall become effective [on December thirty-first of the calendar year in
214 which such repeal was approved] **as provided by subsection 19 of section**
215 **32.087**. If a majority of the votes cast on the question by the qualified voters
216 voting thereon are opposed to the repeal, then the sales tax authorized in this
217 section shall remain effective until the question is resubmitted under this section
218 to the qualified voters of the city or county, and the repeal is approved by a
219 majority of the qualified voters voting on the question.

220 19. Whenever the governing body of any city or county that has adopted
221 the sales tax authorized in this section receives a petition, signed by ten percent
222 of the registered voters of the city or county voting in the last gubernatorial
223 election, calling for an election to repeal the sales tax imposed under this section,
224 the governing body shall submit to the voters a proposal to repeal the tax. If a
225 majority of the votes cast on the question by the qualified voters voting thereon
226 are in favor of the repeal, that repeal shall become effective [on December
227 thirty-first of the calendar year in which such repeal was approved] **as provided**
228 **by subsection 19 of section 32.087.** If a majority of the votes cast on the
229 question by the qualified voters voting thereon are opposed to the repeal, then the
230 tax shall remain effective until the question is resubmitted under this section to
231 the qualified voters and the repeal is approved by a majority of the qualified
232 voters voting on the question.

233 20. If any provision of this section or section 67.1303 or the application
234 thereof to any person or circumstance is held invalid, the invalidity shall not
235 affect other provisions or application of this section or section 67.1303 which can
236 be given effect without the invalid provision or application, and to this end the
237 provisions of this section and section 67.1303 are declared severable.

67.1545. 1. Any district formed as a political subdivision may impose by
2 resolution a district sales and use tax on all retail sales made in such district
3 which are subject to taxation [pursuant to sections 144.010 to 144.525] **under**
4 **chapter 144**, except sales of motor vehicles, trailers, boats [or], outboard motors
5 [and sales to or by public utilities and providers of communications, cable, or

6 video services], **electricity, piped natural or artificial gas, or other fuels**
7 **delivered by the seller.** Any sales and use tax imposed pursuant to this
8 section may be imposed in increments of one-eighth of one percent, up to a
9 maximum of one percent. Such district sales and use tax may be imposed for any
10 district purpose designated by the district in its ballot of submission to its
11 qualified voters; except that, no resolution adopted pursuant to this section shall
12 become effective unless the board of directors of the district submits to the
13 qualified voters of the district, by mail-in ballot, a proposal to authorize a sales
14 and use tax pursuant to this section. If a majority of the votes cast by the
15 qualified voters on the proposed sales tax are in favor of the sales tax, then the
16 resolution is adopted. If a majority of the votes cast by the qualified voters are
17 opposed to the sales tax, then the resolution is void.

18 2. The ballot shall be substantially in the following form:

19 Shall the _____ (insert name of district) Community Improvement District
20 impose a community improvement districtwide sales and use tax at the maximum
21 rate of _____ (insert amount) for a period of _____ (insert number) years from
22 the date on which such tax is first imposed for the purpose of providing revenue
23 for _____ (insert general description of the purpose)?

24 ☐ YES ☐ NO

25 If you are in favor of the question, place an "X" in the box opposite "YES". If you
26 are opposed to the question, place an "X" in the box opposite "NO".

27 3. Within ten days after the qualified voters have approved the imposition
28 of the sales and use tax, the district shall, in accordance with section 32.087,
29 notify the director of the department of revenue. The sales and use tax
30 authorized by this section shall become effective [on the first day of the second
31 calendar quarter after the director of the department of revenue receives notice
32 of the adoption of such tax] **as provided by subsection 19 of section 32.087.**

33 4. [The director of the department of revenue shall collect any tax adopted
34 pursuant to this section pursuant to section 32.087] **After the effective date**
35 **of any tax imposed under the provisions of this section, the director of**
36 **revenue shall perform all functions incident to the administration,**
37 **collection, enforcement, and operation of the tax and collect, in**
38 **addition to the sales tax for the state of Missouri, the additional tax**
39 **authorized under the authority of this section. The tax imposed under**
40 **this section and the tax imposed under the sales tax law of the state of**
41 **Missouri shall be collected together and reported upon such forms and**

42 **under such administrative rules and regulations as may be prescribed**
43 **by the director of revenue.**

44 5. In each district in which a sales and use tax is imposed pursuant to
45 this section, every retailer shall add such additional tax imposed by the district
46 to such retailer's sale price, and when so added such tax shall constitute a part
47 of the purchase price, shall be a debt of the purchaser to the retailer until paid
48 and shall be recoverable at law in the same manner as the purchase price.

49 6. [In order to allow retailers to collect and report the sales and use tax
50 authorized by this section as well as all other sales and use taxes required by law
51 in the simplest and most efficient manner possible, a district may establish
52 appropriate brackets to be used in the district imposing a tax pursuant to this
53 section in lieu of the brackets provided in section 144.285.

54 7.] The penalties provided in sections 144.010 to 144.525 shall apply to
55 violations of this section.

56 [8.] 7. All revenue received by the district from a sales and use tax
57 imposed pursuant to this section which is designated for a specific purpose shall
58 be deposited into a special trust fund and expended solely for such
59 purpose. Upon the expiration of any sales and use tax adopted pursuant to this
60 section, all funds remaining in the special trust fund shall continue to be used
61 solely for the specific purpose designated in the resolution adopted by the
62 qualified voters. Any funds in such special trust fund which are not needed for
63 current expenditures may be invested by the board of directors pursuant to
64 applicable laws relating to the investment of other district funds.

65 [9.] 8. A district may repeal by resolution any sales and use tax imposed
66 pursuant to this section before the expiration date of such sales and use tax
67 unless the repeal of such sales and use tax will impair the district's ability to
68 repay any liabilities the district has incurred, moneys the district has borrowed
69 or obligation the district has issued to finance any improvements or services
70 rendered for the district.

71 [10.] 9. Notwithstanding the provisions of chapter 115, an election for a
72 district sales and use tax under this section shall be conducted in accordance with
73 the provisions of this section.

74 **10. Except as provided in this section, all provisions of sections**
75 **32.085 to 32.087 shall apply to the tax imposed under this section.**

67.1712. 1. The governing body of any county located within the proposed
2 metropolitan district is hereby authorized to impose by ordinance a one-tenth of

3 one cent sales tax on all retail sales subject to taxation [pursuant to sections
4 144.010 to 144.525] **under chapter 144** for the purpose of funding the creation,
5 operation and maintenance of a metropolitan park and recreation district.

6 2. In addition to the tax authorized in subsection 1 of this section, the
7 governing body of any county located within the metropolitan district as of
8 January 1, 2012, is authorized to impose by ordinance an incremental sales tax
9 of up to three-sixteenths of one cent on all retail sales subject to taxation under
10 [sections 144.010 to 144.525] **chapter 144** for the purpose of funding the
11 operation and maintenance of the metropolitan park and recreation district. Such
12 incremental sales tax shall not be implemented unless approved by the voters of
13 the county with the largest population within the district and at least one other
14 such county under subsection 2 of section 67.1715.

15 3. The taxes authorized by sections 67.1700 to 67.1769 shall be in addition
16 to all other sales taxes allowed by law. The governing body of any county within
17 the metropolitan district enacting such an ordinance shall submit to the voters
18 of such county a proposal to approve its ordinance imposing or increasing the
19 tax. Such ordinance shall become effective only after the majority of the voters
20 voting on such ordinance approve such ordinance. The provisions of sections
21 32.085 [and] **to 32.087** shall apply to any tax and increase in tax approved
22 pursuant to this section and sections 67.1715 to 67.1721.

23 4. **After the effective date of any tax imposed under the**
24 **provisions of this section, the director of revenue shall perform all**
25 **functions incident to the administration, collection, enforcement, and**
26 **operation of the tax and the director of revenue shall collect in**
27 **addition to the sales tax for the state of Missouri the additional tax**
28 **authorized under the authority of this section. The tax imposed under**
29 **this section and the tax imposed under the sales tax law of the state of**
30 **Missouri shall be collected together and reported upon such forms and**
31 **under such administrative rules and regulations as may be prescribed**
32 **by the director of revenue.**

67.1775. 1. The governing body of a city not within a county, or any
2 county of this state may, after voter approval under this section, levy a sales tax
3 not to exceed one-quarter of a cent in the county or city, or city not within a
4 county, **on all retail sales made in the city or county which are subject**
5 **to sales tax under chapter 144** for the purpose of providing services described
6 in section 210.861, including counseling, family support, and temporary

7 residential services to persons nineteen years of age or less. The question shall
8 be submitted to the qualified voters of the county or city, or city not within a
9 county, at a county or city or state general, primary or special election upon the
10 motion of the governing body of the county or city, or city not within a county or
11 upon the petition of eight percent of the qualified voters of the county or city, or
12 city not within a county, determined on the basis of the number of votes cast for
13 governor in such county at the last gubernatorial election held prior to the filing
14 of the petition. The election officials of the county or city, or city not within a
15 county, shall give legal notice as provided in chapter 115. The question shall be
16 submitted in substantially the following form:

17 Shall _____ County or City, solely for the purpose of establishing a
18 community children's services fund for the purpose of providing services to protect
19 the well-being and safety of children and youth nineteen years of age or less and
20 to strengthen families, be authorized to levy a sales tax of _____ (not to exceed
21 one-quarter of a cent) in the city or county?

22 ☐ YES ☐ NO

23 If a majority of the votes cast on the question by the qualified voters voting
24 thereon are in favor of the question, then the ordinance or order and any
25 amendments thereto shall be in effect [on the first day of the second calendar
26 quarter after the director receives notification of the local sales tax] **as provided**
27 **by subsection 19 of section 32.087.** If a question receives less than the
28 required majority, then the governing authority of the city or county, or city not
29 within a county, shall have no power to impose the sales tax unless and until the
30 governing authority of the city or county, or city not within a county, has
31 submitted another question to authorize the imposition of the sales tax
32 authorized by this section and such question is approved by the required majority
33 of the qualified voters voting thereon. However, in no event shall a question
34 under this section be submitted to the voters sooner than twelve months from the
35 date of the last question under this section.

36 2. After the effective date of any tax imposed under the provisions of this
37 section, the director of revenue shall perform all functions incident to the
38 administration, collection, enforcement, and operation of the tax and the director
39 of revenue shall collect in addition to the sales tax for the state of Missouri the
40 additional tax authorized under the authority of this section. The tax imposed
41 under this section and the tax imposed under the sales tax law of the state of
42 Missouri shall be collected together and reported upon such forms and under such

43 administrative rules and regulations as may be prescribed by the director of
44 revenue.

45 3. All sales taxes collected by the director of revenue under this section
46 on behalf of any city or county, or city not within a county[, less one percent for
47 the cost of collection, which shall be deposited in the state's general revenue fund
48 after payment of premiums for surety bonds as provided in section 32.087,] shall
49 be deposited with the state treasurer in a special fund, which is hereby created,
50 to be known as the "Community Children's Services Fund". [The moneys in the
51 city or county, or city not within a county, community children's services fund
52 shall not be deemed to be state funds and shall not be commingled with any funds
53 of the state.] The director of revenue shall keep accurate records of the amount
54 of money in the fund which was collected in each city or county, or city not within
55 a county, imposing a sales tax under this section, and the records shall be open
56 to the inspection of officers of each city or county, or city not within a county, and
57 the general public. Not later than the tenth day of each month, the director of
58 revenue shall distribute all moneys deposited in the fund during the preceding
59 month by distributing to the city or county treasurer, or the treasurer of a city
60 not within a county, or such other officer as may be designated by a city or county
61 ordinance or order, or ordinance or order of a city not within a county, of each city
62 or county, or city not within a county, imposing the tax authorized by this section,
63 the sum, as certified by the director of revenue, due the city or county.

64 4. The director of revenue may authorize the state treasurer to make
65 refunds from the amounts in the fund and credited to any city or county, or city
66 not within a county, for erroneous payments and overpayments made, and may
67 redeem dishonored checks and drafts deposited to the credit of such
68 counties. Each city or county, or city not within a county, shall notify the director
69 of revenue [at least ninety days] prior to the effective date of the expiration of the
70 sales tax authorized by this section and **the repeal shall be effective as**
71 **provided by subsection 19 of section 32.087.** The director of revenue may
72 order retention in the fund, for a period of one year, of two percent of the amount
73 collected after receipt of such notice to cover possible refunds or overpayment of
74 such tax and to redeem dishonored checks and drafts deposited to the credit of
75 such accounts. After one year has elapsed after the date of expiration of the tax
76 authorized by this section in such city not within a county or such city or county,
77 the director of revenue shall remit the balance in the account to the city or
78 county, or city not within a county, and close the account of that city or county,

79 or city not within a county. The director of revenue shall notify each city or
80 county, or city not within a county, of each instance of any amount refunded or
81 any check redeemed from receipts due the city or county.

82 5. Except as modified in this section, all provisions of sections 32.085
83 [and] to 32.087 shall apply to the tax imposed under this section.

84 6. All revenues generated by the tax prescribed in this section shall be
85 deposited in the county treasury or, in a city not within a county, to the board
86 established by law to administer such fund to the credit of a special community
87 children's services fund to accomplish the purposes set out herein and in section
88 210.861, and shall be used for no other purpose. Such fund shall be administered
89 by a board of directors, established under section 210.861.

67.1959. 1. The board, by a majority vote, may submit to the residents
2 of such district a tax of not more than one percent on all retail sales, except sales
3 of [food as defined in section 144.014, sales of] new or used motor vehicles,
4 trailers, boats, or other outboard motors[, all utilities, telephone and wireless
5 services, and sales of funeral services,] made **on or after January 1, 2019**,
6 within the district which are subject to taxation [pursuant to the provisions of
7 sections 144.010 to 144.525] **under chapter 144**. Upon the written request of
8 the board to the election authority of the county in which a majority of the area
9 of the district is situated, such election authority shall submit a proposition to the
10 residents of such district at a municipal or statewide primary or general election,
11 or at a special election called for that purpose. Such election authority shall give
12 legal notice as provided in chapter 115.

13 2. Such proposition shall be submitted to the voters of the district in
14 substantially the following form at such election:

15 Shall the Tourism Community Enhancement District impose a sales tax
16 of _____ (insert amount) for the purpose of promoting tourism in the district?

17 ☐ YES ☐ NO

18 If you are in favor of the question, place an "X" in the box opposite "YES".

19 If you are opposed to the question, place an "X" in the box opposite "NO".

20 If a majority of the votes cast on the proposal by the qualified voters of the
21 proposed district voting thereon are in favor of the proposal, then the order shall
22 become effective [on the first day of the second calendar quarter after the director
23 of revenue receives notice of adoption of the tax] **as provided in subsection 19**
24 **of section 32.087**. If the proposal receives less than the required majority, then
25 the board shall have no power to impose the sales tax authorized pursuant to this

26 section unless and until the board shall again have submitted another proposal
27 to authorize the board to impose the sales tax authorized by this section and such
28 proposal is approved by the required majority of the qualified voters of the
29 district.

30 **3. Except as modified by this section, all provisions of sections**
31 **32.085 to 32.087 shall apply to the tax imposed under this section.**

67.2000. 1. This section shall be known as the "Exhibition Center and
2 Recreational Facility District Act".

3 2. An exhibition center and recreational facility district may be created
4 under this section in the following counties:

5 (1) Any county of the first classification with more than seventy-one
6 thousand three hundred but less than seventy-one thousand four hundred
7 inhabitants;

8 (2) Any county of the first classification with more than one hundred
9 ninety-eight thousand but less than one hundred ninety-nine thousand two
10 hundred inhabitants;

11 (3) Any county of the first classification with more than eighty-five
12 thousand nine hundred but less than eighty-six thousand inhabitants;

13 (4) Any county of the second classification with more than fifty-two
14 thousand six hundred but less than fifty-two thousand seven hundred
15 inhabitants;

16 (5) Any county of the first classification with more than one hundred four
17 thousand six hundred but less than one hundred four thousand seven hundred
18 inhabitants;

19 (6) Any county of the third classification without a township form of
20 government and with more than seventeen thousand nine hundred but less than
21 eighteen thousand inhabitants;

22 (7) Any county of the first classification with more than thirty-seven
23 thousand but less than thirty-seven thousand one hundred inhabitants;

24 (8) Any county of the third classification without a township form of
25 government and with more than twenty-three thousand five hundred but less
26 than twenty-three thousand six hundred inhabitants;

27 (9) Any county of the third classification without a township form of
28 government and with more than nineteen thousand three hundred but less than
29 nineteen thousand four hundred inhabitants;

30 (10) Any county of the first classification with more than two hundred

31 forty thousand three hundred but less than two hundred forty thousand four
32 hundred inhabitants;

33 (11) Any county of the third classification with a township form of
34 government and with more than eight thousand nine hundred but fewer than
35 nine thousand inhabitants;

36 (12) Any county of the third classification without a township form of
37 government and with more than eighteen thousand nine hundred but fewer than
38 nineteen thousand inhabitants;

39 (13) Any county of the third classification with a township form of
40 government and with more than eight thousand but fewer than eight thousand
41 one hundred inhabitants;

42 (14) Any county of the third classification with a township form of
43 government and with more than eleven thousand five hundred but fewer than
44 eleven thousand six hundred inhabitants.

45 3. Whenever not less than fifty owners of real property located within any
46 county listed in subsection 2 of this section desire to create an exhibition center
47 and recreational facility district, the property owners shall file a petition with the
48 governing body of each county located within the boundaries of the proposed
49 district requesting the creation of the district. The district boundaries may
50 include all or part of the counties described in this section. The petition shall
51 contain the following information:

52 (1) The name and residence of each petitioner and the location of the real
53 property owned by the petitioner;

54 (2) A specific description of the proposed district boundaries, including a
55 map illustrating the boundaries; and

56 (3) The name of the proposed district.

57 4. Upon the filing of a petition pursuant to this section, the governing
58 body of any county described in this section may, by resolution, approve the
59 creation of a district. Any resolution to establish such a district shall be adopted
60 by the governing body of each county located within the proposed district, and
61 shall contain the following information:

62 (1) A description of the boundaries of the proposed district;

63 (2) The time and place of a hearing to be held to consider establishment
64 of the proposed district;

65 (3) The proposed sales tax rate to be voted on within the proposed district;

66 and

67 (4) The proposed uses for the revenue generated by the new sales tax.

68 5. Whenever a hearing is held as provided by this section, the governing
69 body of each county located within the proposed district shall:

70 (1) Publish notice of the hearing on two separate occasions in at least one
71 newspaper of general circulation in each county located within the proposed
72 district, with the first publication to occur not more than thirty days before the
73 hearing, and the second publication to occur not more than fifteen days or less
74 than ten days before the hearing;

75 (2) Hear all protests and receive evidence for or against the establishment
76 of the proposed district; and

77 (3) Rule upon all protests, which determinations shall be final.

78 6. Following the hearing, if the governing body of each county located
79 within the proposed district decides to establish the proposed district, it shall
80 adopt an order to that effect; if the governing body of any county located within
81 the proposed district decides to not establish the proposed district, the boundaries
82 of the proposed district shall not include that county. The order shall contain the
83 following:

84 (1) The description of the boundaries of the district;

85 (2) A statement that an exhibition center and recreational facility district
86 has been established;

87 (3) The name of the district;

88 (4) The uses for any revenue generated by a sales tax imposed pursuant
89 to this section; and

90 (5) A declaration that the district is a political subdivision of the state.

91 7. A district established pursuant to this section may, at a general,
92 primary, or special election, submit to the qualified voters within the district
93 boundaries a sales tax of one-fourth of one percent, for a period not to exceed
94 twenty-five years, on all retail sales within the district, which are subject to
95 taxation [pursuant to sections 144.010 to 144.525] **under chapter 144**, to fund
96 the acquisition, construction, maintenance, operation, improvement, and
97 promotion of an exhibition center and recreational facilities. The ballot of
98 submission shall be in substantially the following form:

99 Shall the _____ (name of district) impose a sales tax of one-fourth of one
100 percent to fund the acquisition, construction, maintenance, operation,
101 improvement, and promotion of an exhibition center and recreational facilities,
102 for a period of _____ (insert number of years)?

103 ☐ YES ☐ NO

104 If you are in favor of the question, place an "X" in the box opposite "YES".

105 If you are opposed to the question, place an "X" in the box opposite "NO".

106 If a majority of the votes cast in the portion of any county that is part of the
107 proposed district favor the proposal, then the sales tax shall become effective in
108 that portion of the county [that is part of the proposed district on the first day of
109 the first calendar quarter immediately following the election] **as provided by**
110 **subsection 19 of section 32.087.** If a majority of the votes cast in the portion
111 of a county that is a part of the proposed district oppose the proposal, then that
112 portion of such county shall not impose the sales tax authorized in this section
113 until after the county governing body has submitted another such sales tax
114 proposal and the proposal is approved by a majority of the qualified voters voting
115 thereon. However, if a sales tax proposal is not approved, the governing body of
116 the county shall not resubmit a proposal to the voters pursuant to this section
117 sooner than twelve months from the date of the last proposal submitted pursuant
118 to this section. If the qualified voters in two or more counties that have
119 contiguous districts approve the sales tax proposal, the districts shall combine to
120 become one district.

121 8. There is hereby created a board of trustees to administer any district
122 created and the expenditure of revenue generated pursuant to this section
123 consisting of four individuals to represent each county approving the district, as
124 provided in this subsection. The governing body of each county located within the
125 district, upon approval of that county's sales tax proposal, shall appoint four
126 members to the board of trustees; at least one shall be an owner of a nonlodging
127 business located within the taxing district, or their designee, at least one shall
128 be an owner of a lodging facility located within the district, or their designee, and
129 all members shall reside in the district except that one nonlodging business
130 owner, or their designee, and one lodging facility owner, or their designee, may
131 reside outside the district. Each trustee shall be at least twenty-five years of age
132 and a resident of this state. Of the initial trustees appointed from each county,
133 two shall hold office for two years, and two shall hold office for four
134 years. Trustees appointed after expiration of the initial terms shall be appointed
135 to a four-year term by the governing body of the county the trustee represents,
136 with the initially appointed trustee to remain in office until a successor is
137 appointed, and shall take office upon being appointed. Each trustee may be
138 reappointed. Vacancies shall be filled in the same manner in which the trustee

139 vacating the office was originally appointed. The trustees shall not receive
140 compensation for their services, but may be reimbursed for their actual and
141 necessary expenses. The board shall elect a chair and other officers necessary for
142 its membership. Trustees may be removed if:

143 (1) By a two-thirds vote, the board moves for the member's removal and
144 submits such motion to the governing body of the county from which the trustee
145 was appointed; and

146 (2) The governing body of the county from which the trustee was
147 appointed, by a majority vote, adopts the motion for removal.

148 9. The board of trustees shall have the following powers, authority, and
149 privileges:

150 (1) To have and use a corporate seal;

151 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

152 (3) To enter into contracts, franchises, and agreements with any person
153 or entity, public or private, affecting the affairs of the district, including contracts
154 with any municipality, district, or state, or the United States, and any of their
155 agencies, political subdivisions, or instrumentalities, for the funding, including
156 without limitation interest rate exchange or swap agreements, planning,
157 development, construction, acquisition, maintenance, or operation of a single
158 exhibition center and recreational facilities or to assist in such
159 activity. "Recreational facilities" means locations explicitly designated for public
160 use where the primary use of the facility involves participation in hobbies or
161 athletic activities;

162 (4) To borrow money and incur indebtedness and evidence the same by
163 certificates, notes, or debentures, to issue bonds and use any one or more lawful
164 funding methods the district may obtain for its purposes at such rates of interest
165 as the district may determine. Any bonds, notes, and other obligations issued or
166 delivered by the district may be secured by mortgage, pledge, or deed of trust of
167 any or all of the property and income of the district. Every issue of such bonds,
168 notes, or other obligations shall be payable out of property and revenues of the
169 district and may be further secured by other property of the district, which may
170 be pledged, assigned, mortgaged, or a security interest granted for such payment,
171 without preference or priority of the first bonds issued, subject to any agreement
172 with the holders of any other bonds pledging any specified property or
173 revenues. Such bonds, notes, or other obligations shall be authorized by
174 resolution of the district board, and shall bear such date or dates, and shall

175 mature at such time or times, but not in excess of thirty years, as the resolution
176 shall specify. Such bonds, notes, or other obligations shall be in such
177 denomination, bear interest at such rate or rates, be in such form, either coupon
178 or registered, be issued as current interest bonds, compound interest bonds,
179 variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
180 manner, be payable in such place or places, and be subject to redemption as such
181 resolution may provide, notwithstanding section 108.170. The bonds, notes, or
182 other obligations may be sold at either public or private sale, at such interest
183 rates, and at such price or prices as the district shall determine;

184 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber
185 real and personal property in furtherance of district purposes;

186 (6) To refund any bonds, notes, or other obligations of the district without
187 an election. The terms and conditions of refunding obligations shall be
188 substantially the same as those of the original issue, and the board shall provide
189 for the payment of interest at not to exceed the legal rate, and the principal of
190 such refunding obligations in the same manner as is provided for the payment of
191 interest and principal of obligations refunded;

192 (7) To have the management, control, and supervision of all the business
193 and affairs of the district, and the construction, installation, operation, and
194 maintenance of district improvements therein; to collect rentals, fees, and other
195 charges in connection with its services or for the use of any of its facilities;

196 (8) To hire and retain agents, employees, engineers, and attorneys;

197 (9) To receive and accept by bequest, gift, or donation any kind of
198 property;

199 (10) To adopt and amend bylaws and any other rules and regulations not
200 in conflict with the constitution and laws of this state, necessary for the carrying
201 on of the business, objects, and affairs of the board and of the district; and

202 (11) To have and exercise all rights and powers necessary or incidental
203 to or implied from the specific powers granted by this section.

204 10. There is hereby created the "Exhibition Center and Recreational
205 Facility District Sales Tax Trust Fund", which shall consist of all sales tax
206 revenue collected pursuant to this section. The director of revenue shall be
207 custodian of the trust fund, and moneys in the trust fund shall be used solely for
208 the purposes authorized in this section. Moneys in the trust fund shall be
209 considered nonstate funds pursuant to Section 15, Article IV, Constitution of
210 Missouri. The director of revenue shall invest moneys in the trust fund in the

211 same manner as other funds are invested. Any interest and moneys earned on
212 such investments shall be credited to the trust fund. All sales taxes collected by
213 the director of revenue pursuant to this section on behalf of the district[, less one
214 percent for the cost of collection which shall be deposited in the state's general
215 revenue fund after payment of premiums for surety bonds as provided in section
216 32.087,] shall be deposited in the trust fund. The director of revenue shall keep
217 accurate records of the amount of moneys in the trust fund which was collected
218 in the district imposing a sales tax pursuant to this section, and the records shall
219 be open to the inspection of the officers of each district and the general
220 public. Not later than the tenth day of each month, the director of revenue shall
221 distribute all moneys deposited in the trust fund during the preceding month to
222 the district. The director of revenue may authorize refunds from the amounts in
223 the trust fund and credited to the district for erroneous payments and
224 overpayments made, and may redeem dishonored checks and drafts deposited to
225 the credit of the district.

226 11. The sales tax authorized by this section is in addition to all other
227 sales taxes allowed by law. **After the effective date of any tax imposed**
228 **under the provisions of this section, the director of revenue shall**
229 **perform all functions incident to the administration, collection,**
230 **enforcement, and operation of the tax and collect, in addition to the**
231 **sales tax for the state of Missouri, the additional tax authorized under**
232 **the authority of this section. The tax imposed under this section and**
233 **the tax imposed under the sales tax law of the state of Missouri shall be**
234 **collected together and reported upon such forms and under such**
235 **administrative rules and regulations as may be prescribed by the**
236 **director of revenue.**

237 12. Except as modified in this section, all provisions of sections 32.085
238 [and] to 32.087 apply to the sales tax imposed pursuant to this section.

239 [12.] 13. Any sales tax imposed pursuant to this section shall not extend
240 past the initial term approved by the voters unless an extension of the sales tax
241 is submitted to and approved by the qualified voters in each county in the manner
242 provided in this section. Each extension of the sales tax shall be for a period not
243 to exceed twenty years. The ballot of submission for the extension shall be in
244 substantially the following form:

245 Shall the _____ (name of district) extend the sales tax of one-fourth of one
246 percent for a period of _____ (insert number of years) years to fund the

247 acquisition, construction, maintenance, operation, improvement, and promotion
248 of an exhibition center and recreational facilities?

249 ☐ YES ☐ NO

250 If you are in favor of the question, place an "X" in the box opposite "YES". If you
251 are opposed to the question, place an "X" in the box opposite "NO".

252 If a majority of the votes cast favor the extension, then the sales tax shall remain
253 in effect at the rate and for the time period approved by the voters. If a sales tax
254 extension is not approved, the district may submit another sales tax proposal as
255 authorized in this section, but the district shall not submit such a proposal to the
256 voters sooner than twelve months from the date of the last extension submitted.

257 [13.] 14. Once the sales tax authorized by this section is abolished or
258 terminated by any means, all funds remaining in the trust fund shall be used
259 solely for the purposes approved in the ballot question authorizing the sales
260 tax. The sales tax shall not be abolished or terminated while the district has any
261 financing or other obligations outstanding; provided that any new financing, debt,
262 or other obligation or any restructuring or refinancing of an existing debt or
263 obligation incurred more than ten years after voter approval of the sales tax
264 provided in this section or more than ten years after any voter-approved
265 extension thereof shall not cause the extension of the sales tax provided in this
266 section or cause the final maturity of any financing or other obligations
267 outstanding to be extended. Any funds in the trust fund which are not needed
268 for current expenditures may be invested by the district in the securities
269 described in subdivisions (1) to (12) of subsection 1 of section 30.270 or
270 repurchase agreements secured by such securities. If the district abolishes the
271 sales tax, the district shall notify the director of revenue of the action [at least
272 ninety days before the effective date of the repeal,] and the director of revenue
273 may order retention in the trust fund, for a period of one year, of two percent of
274 the amount collected after receipt of such notice to cover possible refunds or
275 overpayment of the sales tax and to redeem dishonored checks and drafts
276 deposited to the credit of such accounts. After one year has elapsed after the
277 effective date of abolition of the sales tax in the district, the director of revenue
278 shall remit the balance in the account to the district and close the account of the
279 district. The director of revenue shall notify the district of each instance of any
280 amount refunded or any check redeemed from receipts due the district.

281 [14.] 15. In the event that the district is dissolved or terminated by any
282 means, the governing bodies of the counties in the district shall appoint a person

283 to act as trustee for the district so dissolved or terminated. Before beginning the
284 discharge of duties, the trustee shall take and subscribe an oath to faithfully
285 discharge the duties of the office, and shall give bond with sufficient security,
286 approved by the governing bodies of the counties, to the use of the dissolved or
287 terminated district, for the faithful discharge of duties. The trustee shall have
288 and exercise all powers necessary to liquidate the district, and upon satisfaction
289 of all remaining obligations of the district, shall pay over to the county treasurer
290 of each county in the district and take receipt for all remaining moneys in
291 amounts based on the ratio the levy of each county bears to the total levy for the
292 district in the previous three years or since the establishment of the district,
293 whichever time period is shorter. Upon payment to the county treasurers, the
294 trustee shall deliver to the clerk of the governing body of any county in the
295 district all books, papers, records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification
2 with more than one thousand six hundred but less than one thousand seven
3 hundred inhabitants and located in any county of the first classification with
4 more than seventy-three thousand seven hundred but less than seventy-three
5 thousand eight hundred inhabitants is hereby authorized to impose, by ordinance
6 or order, a sales tax in the amount not to exceed one-half of one percent on all
7 retail sales made in such city which are subject to taxation [pursuant to sections
8 144.010 to 144.525] **under chapter 144** for the promotion of tourism in such
9 city. The tax authorized by this section shall be in addition to any and all other
10 sales taxes allowed by law, except that no ordinance or order imposing a sales tax
11 pursuant to this section shall be effective unless the governing authority of the
12 city submits to the qualified voters of the city, at any municipal or state general,
13 primary, or special election, a proposal to authorize the governing authority of the
14 city to impose a tax.

15 2. The ballot of submission shall be in substantially the following form:
16 Shall the city of _____ (city's name) impose a citywide sales tax of _____
17 (insert amount) for the purpose of promoting tourism in the city?

18 ☐ YES ☐ NO

19 If you are in favor of the question, place an "X" in the box opposite "YES". If you
20 are opposed to the question, place an "X" in the box opposite "NO".

21 If a majority of the votes cast on the proposal by the qualified voters voting
22 thereon are in favor of the proposal, then the ordinance or order and any
23 amendments thereto shall be in effect [on the first day of the first calendar

24 quarter immediately following notification to the director of the department of
25 revenue of the election approving the proposal] **as provided by subsection 19**
26 **of section 32.087.** If a proposal receives less than the required majority, then
27 the governing authority of the city shall have no power to impose the sales tax
28 unless and until the governing authority of the city has submitted another
29 proposal to authorize the imposition of the sales tax authorized by this section
30 and such proposal is approved by the required majority of the qualified voters
31 voting thereon. However, in no event shall a proposal pursuant to this section be
32 submitted to the voters sooner than twelve months from the date of the last
33 proposal pursuant to this section.

34 3. [On and after the effective date of any tax authorized in this section,
35 the city may adopt one of the two following provisions for the collection and
36 administration of the tax:

37 (1) The city may adopt rules and regulations for the internal collection of
38 such tax by the city officers usually responsible for collection and administration
39 of city taxes; or

40 (2) The city may enter into an agreement with the director of revenue of
41 the state of Missouri for the purpose of collecting the tax authorized in this
42 section. In the event any city enters into an agreement with the director of
43 revenue of the state of Missouri for the collection of the tax authorized in this
44 section, the director of revenue shall perform all functions incident to the
45 administration, collection, enforcement, and operation of such tax, and the
46 director of revenue shall collect the additional tax authorized in this section. The
47 tax authorized in this section shall be collected and reported upon such forms and
48 under such administrative rules and regulations as may be prescribed by the
49 director of revenue, and the director of revenue shall retain an amount not to
50 exceed one percent for cost of collection.

51 4. If a tax is imposed by a city pursuant to this section, the city may
52 collect a penalty of one percent and interest not to exceed two percent per month
53 on unpaid taxes which shall be considered delinquent thirty days after the last
54 day of each quarter] **After the effective date of any tax imposed under the**
55 **provisions of this section, the director of revenue shall perform all**
56 **functions incident to the administration, collection, enforcement, and**
57 **operation of the tax and collect, in addition to the sales tax for the**
58 **state of Missouri, the additional tax authorized under the authority of**
59 **this section. The tax imposed under this section and the tax imposed**

60 **under the sales tax law of the state of Missouri shall be collected**
61 **together and reported upon such forms and under such administrative**
62 **rules and regulations as may be prescribed by the director of revenue.**

63 [5.] 4. (1) The governing authority of any city that has adopted any sales
64 tax pursuant to this section shall, upon filing of a petition calling for the repeal
65 of such sales tax signed by at least ten percent of the qualified voters in the city,
66 submit the question of repeal of the sales tax to the qualified voters at any
67 primary or general election. The ballot of submission shall be in substantially the
68 following form:

69 Shall _____ (insert name of city) repeal the sales tax of _____ (insert rate
70 of percent) percent for tourism purposes now in effect in _____ (insert name of
71 city)?

72 ☐ YES ☐ NO

73 If you are in favor of the question, place an "X" in the box opposite "YES". If you
74 are opposed to the question, place an "X" in the box opposite "NO".

75 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
76 shall become effective [on December thirty-first of the calendar year in which
77 such repeal was approved] **as provided by subsection 19 of section 32.087.**
78 **If the city or county abolishes the tax, the city or county shall notify**
79 **the director of revenue of the action prior to the effective date of the**
80 **repeal.**

81 (2) Once the tax is repealed as provided in this section, all funds
82 remaining in any trust fund or account established to receive revenues generated
83 by the tax shall be used solely for the original stated purpose of the tax. Any
84 funds which are not needed for current expenditures may be invested by the
85 governing authority in accordance with applicable laws relating to the investment
86 of other city funds.

87 (3) The governing authority of a city repealing a tax pursuant to this
88 section shall notify the director of revenue of the action [at least forty-five days
89 before] **prior to** the effective date of the repeal and the director of revenue may
90 order retention in any trust fund created in the state treasury associated with the
91 tax, for a period of one year, of two percent of the amount collected after receipt
92 of such notice to cover refunds or overpayment of the tax and to redeem
93 dishonored checks and drafts deposited to the credit of such accounts. After one
94 year has elapsed after the effective date of repeal of the tax in the city, the
95 director of revenue shall remit the balance in the trust fund to the city and close

96 the account of that city. The director of revenue shall notify each city of each
97 instance of any amount refunded or any check redeemed from receipts due the
98 city.

99 (4) In the event that the repeal of a sales tax pursuant to this section
100 dissolves or terminates a taxing district, the governing authority of the city shall
101 appoint a person to act as trustee for the district so dissolved or
102 terminated. Before beginning the discharge of duties, the trustee shall take and
103 subscribe an oath to faithfully discharge the duties of the office, and shall give
104 bond with sufficient security, approved by the governing authority of the city, to
105 the use of the dissolved or terminated district, for the faithful discharge of
106 duties. The trustee shall have and exercise all powers necessary to liquidate the
107 district, and upon satisfaction of all remaining obligations of the district, shall
108 pay over to the city treasurer or the equivalent official and take receipt for all
109 remaining moneys. Upon payment to the city treasurer, the trustee shall deliver
110 to the clerk of the governing authority of the city all books, papers, records, and
111 deeds belonging to the dissolved district.

112 [6.] 5. Except as modified in this section, all provisions of sections 32.085
113 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the
2 following qualifications:

3 (1) As to those subdistricts in which there are registered voters, a resident
4 registered voter in the subdistrict that he or she represents, or be a property
5 owner or, as to those subdistricts in which there are not registered voters who are
6 residents, a property owner or representative of a property owner in the
7 subdistrict he or she represents;

8 (2) Be at least twenty-one years of age and a registered voter in the
9 district.

10 2. The district shall be subdivided into at least five but not more than
11 fifteen subdistricts, which shall be represented by one representative on the
12 district board of directors. All board members shall have terms of four years,
13 including the initial board of directors. All members shall take office upon being
14 appointed and shall remain in office until a successor is appointed by the mayor
15 or chairman of the municipality in which the district is located, or elected by the
16 property owners in those subdistricts without registered voters.

17 3. For those subdistricts which contain one or more registered voters, the
18 mayor or chairman of the city, town, or village shall, with the consent of the

19 governing body, appoint a registered voter residing in the subdistrict to the board
20 of directors.

21 4. For those subdistricts which contain no registered voters, the property
22 owners who collectively own one or more parcels of real estate comprising more
23 than half of the land situated in each subdistrict shall meet and shall elect a
24 representative to serve upon the board of directors. The clerk of the city, town,
25 or village in which the petition was filed shall, unless waived in writing by all
26 property owners in the subdistrict, give notice by causing publication to be made
27 once a week for two consecutive weeks in a newspaper of general circulation in
28 the county, the last publication of which shall be at least ten days before the day
29 of the meeting required by this section, to call a meeting of the owners of real
30 property within the subdistrict at a day and hour specified in a public place in
31 the city, town, or village in which the petition was filed for the purpose of electing
32 members of the board of directors.

33 5. The property owners, when assembled, shall organize by the election
34 of a temporary chairman and secretary of the meeting who shall conduct the
35 election. An election shall be conducted for each subdistrict, with the eligible
36 property owners voting in that subdistrict. At the election, each acre of real
37 property within the subdistrict shall represent one share, and each owner,
38 including corporations and other entities, may have one vote in person or for
39 every acre of real property owned by such person within the subdistrict. Each
40 voter which is not an individual shall determine how to cast its vote as provided
41 for in its articles of incorporation, articles of organization, articles of partnership,
42 bylaws, or other document which sets forth an appropriate mechanism for the
43 determination of the entity's vote. If a voter has no such mechanism, then its
44 vote shall be cast as determined by a majority of the persons who run the
45 day-to-day affairs of the voter. The results of the meeting shall be certified by the
46 temporary chairman and secretary to the municipal clerk if the district is
47 established by a municipality described in this section, or to the circuit clerk if
48 the district is established by a circuit court.

49 6. Successor boards shall be appointed or elected, depending upon the
50 presence or absence of resident registered voters, by the mayor or chairman of a
51 city, town, or village described in this section, or the property owners as set forth
52 above; provided, however, that elections held by the property owners after the
53 initial board is elected shall be certified to the municipal clerk of the city, town,
54 or village where the district is located and the board of directors of the district.

55 7. Should a vacancy occur on the board of directors, the mayor or
56 chairman of the city, town, or village if there are registered voters within the
57 subdistrict, or a majority of the owners of real property in a subdistrict if there
58 are not registered voters in the subdistrict, shall have the authority to appoint
59 or elect, as set forth in this section, an interim director to complete any unexpired
60 term of a director caused by resignation or disqualification.

61 8. The board shall possess and exercise all of the district's legislative and
62 executive powers, including:

63 (1) The power to fund, promote and provide educational, civic, musical,
64 theatrical, cultural, concerts, lecture series, and related or similar entertainment
65 events or activities, and fund, promote, plan, design, construct, improve,
66 maintain, and operate public improvements, transportation projects, and related
67 facilities within the district;

68 (2) The power to accept and disburse tax or other revenue collected in the
69 district; and

70 (3) The power to receive property by gift or otherwise.

71 9. Within thirty days after the selection of the initial directors, the board
72 shall meet. At its first meeting and annually thereafter the board shall elect a
73 chairman from its members.

74 10. The board shall appoint an executive director, district secretary,
75 treasurer, and such other officers or employees as it deems necessary.

76 11. At the first meeting, the board, by resolution, shall define the first and
77 subsequent fiscal years of the district, and shall adopt a corporate seal.

78 12. A simple majority of the board shall constitute a quorum. If a quorum
79 exists, a majority of those voting shall have the authority to act in the name of
80 the board, and approve any board resolution.

81 13. At the first meeting, the board, by resolution, shall receive the
82 certification of the election regarding the sales tax, and may impose the sales tax
83 in all subdistricts approving the imposing sales tax. In those subdistricts that
84 approve the sales tax, the sales tax shall become effective [on the first day of the
85 first calendar quarter immediately following the action by the district board of
86 directors imposing the tax] **as provided by section 32.087.**

87 14. Each director shall devote such time to the duties of the office as the
88 faithful discharge thereof may require and be reimbursed for his or her actual
89 expenditures in the performance of his or her duties on behalf of the
90 district. Directors may be compensated, but such compensation shall not exceed

91 one hundred dollars per month.

92 15. In addition to all other powers granted by sections 67.2500 to 67.2530,
93 the district shall have the following general powers:

94 (1) To sue and be sued in its own name, and to receive service of process,
95 which shall be served upon the district secretary;

96 (2) To fix compensation of its employees and contractors;

97 (3) To enter into contracts, franchises, and agreements with any person
98 or entity, public or private, affecting the affairs of the district, including contracts
99 with any municipality, district, or state, or the United States, and any of their
100 agencies, political subdivisions, or instrumentalities, for the funding, including
101 without limitation, interest rate exchange or swap agreements, planning,
102 development, construction, acquisition, maintenance, or operation of a district
103 facility or to assist in such activity;

104 (4) To acquire, develop, construct, equip, transfer, donate, lease, exchange,
105 mortgage, and encumber real and personal property in furtherance of district
106 purposes;

107 (5) To collect and disburse funds for its activities;

108 (6) To collect taxes and other revenues;

109 (7) To borrow money and incur indebtedness and evidence the same by
110 certificates, notes, bonds, debentures, or refunding of any such obligations for the
111 purpose of paying all or any part of the cost of land, construction, development,
112 or equipping of any facilities or operations of the district;

113 (8) To own or lease real or personal property for use in connection with
114 the exercise of powers pursuant to this subsection;

115 (9) To provide for the election or appointment of officers, including a
116 chairman, treasurer, and secretary. Officers shall not be required to be residents
117 of the district, and one officer may hold more than one office;

118 (10) To hire and retain agents, employees, engineers, and attorneys;

119 (11) To enter into entertainment contracts binding the district and artists,
120 agencies, or performers, management contracts, contracts relating to the booking
121 of entertainment and the sale of tickets, and all other contracts which relate to
122 the purposes of the district;

123 (12) To contract with a local government, a corporation, partnership, or
124 individual regarding funding, promotion, planning, designing, constructing,
125 improving, maintaining, or operating a project or to assist in such activity;

126 (13) To contract for transfer to a city, town, or village such district

127 facilities and improvements free of cost or encumbrance on such terms set forth
128 by contract;

129 (14) To exercise such other powers necessary or convenient for the district
130 to accomplish its purposes which are not inconsistent with its express powers.

131 16. A district may at any time authorize or issue notes, bonds, or other
132 obligations for any of its powers or purposes. Such notes, bonds, or other
133 obligations:

134 (1) Shall be in such amounts as deemed necessary by the district,
135 including costs of issuance thereof;

136 (2) Shall be payable out of all or any portion of the revenues or other
137 assets of the district;

138 (3) May be secured by any property of the district which may be pledged,
139 assigned, mortgaged, or otherwise encumbered for payment;

140 (4) Shall be authorized by resolution of the district, and if issued by the
141 district, shall bear such date or dates, and shall mature at such time or times,
142 but not in excess of forty years, as the resolution shall specify;

143 (5) Shall be in such denomination, bear interest at such rates, be in such
144 form, be issued as current interest bonds, compound interest bonds, variable rate
145 bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be
146 payable in such place or places and subject to redemption as such resolution may
147 provide; and

148 (6) May be sold at either public or private sale, at such interest rates, and
149 at such price or prices as the district shall determine.

150 The provisions of this subsection are applicable to the district notwithstanding
151 the provisions of section 108.170.

67.2530. 1. Any note, bond, or other indebtedness of the district may be
2 refunded at any time by the district by issuing refunding bonds in such amount
3 as the district may deem necessary. Such bonds shall be subject to and shall
4 have the benefit of the foregoing provisions regarding notes, bonds, and other
5 obligations. Without limiting the generality of the foregoing, refunding bonds
6 may include amounts necessary to finance any premium, unpaid interest, and
7 costs of issuance in connection with the refunding bonds. Any such refunding
8 may be effected whether the bonds to be refunded then shall have matured or
9 thereafter shall mature, either by sale of the refunding bonds and the application
10 of the proceeds thereof to the payment of the obligations being refunded or the
11 exchange of the refunding bonds for the obligations being refunded with the

12 consent of the holders of the obligations being refunded.

13 2. Notes, bonds, or other indebtedness of the district shall be exclusively
14 the responsibility of the district payable solely out of the district funds and
15 property and shall not constitute a debt or liability of the state of Missouri or any
16 agency or political subdivision of the state. Any notes, bonds, or other
17 indebtedness of the district shall state on their face that they are not obligations
18 of the state of Missouri or any agency or political subdivision thereof other than
19 the district.

20 3. Any district may by resolution impose a district sales tax of up to
21 one-half of one percent on all retail sales made in such district that are subject
22 to taxation [pursuant to the provisions of sections 144.010 to 144.525] **under**
23 **chapter 144**. Upon voter approval, and receiving the necessary certifications
24 from the governing body of the municipality in which the district is located, or
25 from the circuit court if the district was formed by the circuit court, the board of
26 directors shall have the power to impose a sales tax at its first meeting, or any
27 meeting thereafter. Voter approval of the question of the imposing sales tax shall
28 be in accordance with section 67.2520. [The sales tax shall become effective in
29 those subdistricts that approve the sales tax on the first day of the first calendar
30 quarter immediately following the passage of a resolution by the board of
31 directors imposing the sales tax.

32 4. In each district in which a sales tax has been imposed in the manner
33 provided by this section, every retailer shall add the tax imposed by the district
34 pursuant to this section to the retailer's sale price, and when so added, such tax
35 shall constitute a part of the price, shall be a debt of the purchaser to the retailer
36 until paid, and shall be recoverable at law in the same manner as the purchase
37 price.

38 5. In order to permit sellers required to collect and report the sales tax
39 authorized by this section to collect the amount required to be reported and
40 remitted, but not to change the requirements of reporting or remitting tax or to
41 serve as a levy of the tax, and in order to avoid fractions of pennies, the district
42 may establish appropriate brackets which shall be used in the district imposing
43 a tax pursuant to this section in lieu of those brackets provided in section
44 144.285.

45 6.] 4. All revenue received by a district from the sales tax authorized by
46 this section shall be deposited in a special trust fund and shall be used solely for
47 the purposes of the district. Any funds in such special trust fund which are not

48 needed for the district's current expenditures may be invested by the district
49 board of directors in accordance with applicable laws relating to the investment
50 of other district funds.

51 **[7.] 5.** The sales tax may be imposed at a rate of up to one-half of one
52 percent on the receipts from the sale at retail of all [tangible personal property
53 or taxable services] **sales** at retail within the district adopting such tax, if such
54 property and services are subject to taxation by the state of Missouri [pursuant
55 to the provisions of sections 144.010 to 144.525] **under chapter 144**. Any
56 district sales tax imposed pursuant to this section shall be imposed at a rate that
57 shall be uniform throughout the subdistricts approving the sales tax.

58 **[8.** The resolution imposing the sales tax pursuant to this section shall
59 impose upon all sellers a tax for the privilege of engaging in the business of
60 selling tangible personal property or rendering taxable services at retail to the
61 extent and in the manner provided in sections 144.010 to 144.525 and the rules
62 and regulations of the director of revenue issued pursuant thereto; except that
63 the rate of the tax shall be the rate imposed by the resolution as the sales tax and
64 the tax shall be reported and returned to and collected by the district.

65 **9. (1)** On and after the effective date of any sales tax imposed pursuant
66 to this section, the district shall perform all functions incident to the
67 administration, collection, enforcement, and operation of the tax. The sales tax
68 imposed pursuant to this section shall be collected and reported upon such forms
69 and under such administrative rules and regulations as may be prescribed by the
70 district.

71 **(2)]**

72 **6. After the effective date of any tax imposed under the**
73 **provisions of this section, the director of revenue shall perform all**
74 **functions incident to the administration, collection, enforcement, and**
75 **operation of the tax and collect, in addition to the sales tax for the**
76 **state of Missouri, the additional tax authorized under the authority of**
77 **this section. The tax imposed under this section and the tax imposed**
78 **under the sales tax law of the state of Missouri shall be collected**
79 **together and reported upon such forms and under such administrative**
80 **rules and regulations as may be prescribed by the director of revenue.**

81 **7.** All [such] sales taxes [collected by the district] shall be deposited by
82 the district in a special fund to be expended for the purposes authorized in this
83 section. The district shall keep accurate records of the amount of money which

84 was collected pursuant to this section, and the records shall be open to the
85 inspection of officers of each district and the general public.

86 [(3) The district may contract with the municipality that the district is
87 within for the municipality to collect any revenue received by the district and,
88 after deducting the cost of such collection, but not to exceed one percent of the
89 total amount collected, deposit such revenue in a special trust account. Such
90 revenue and interest may be applied by the municipality to expenses, costs, or
91 debt service of the district at the direction of the district as set forth in a contract
92 between the municipality and the district.

93 10. (1) All applicable provisions contained in sections 144.010 to 144.525
94 governing the state sales tax, sections 32.085 and 32.087, and section 32.057, the
95 uniform confidentiality provision, shall apply to the collection of the tax imposed
96 by this section, except as modified in this section.

97 (2) All exemptions granted to agencies of government, organizations,
98 persons, and to the sale of certain articles and items of tangible personal property
99 and taxable services pursuant to the provisions of sections 144.010 to 144.525 are
100 hereby made applicable to the imposition and collection of the tax imposed by this
101 section.

102 (3) The same sales tax permit, exemption certificate, and retail certificate
103 required by sections 144.010 to 144.525 for the administration and collection of
104 the state sales tax shall satisfy the requirements of this section, and no
105 additional permit or exemption certificate or retail certificate shall be required;
106 except that the district may prescribe a form of exemption certificate for an
107 exemption from the tax imposed by this section.

108 (4) All discounts allowed the retailer pursuant to the provisions of the
109 state sales tax laws for the collection of and for payment of taxes pursuant to
110 such laws are hereby allowed and made applicable to any taxes collected pursuant
111 to the provisions of this section.

112 (5) The penalties provided in section 32.057 and sections 144.010 to
113 144.525 for violation of those sections are hereby made applicable to violations
114 of this section.

115 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
116 section, all retail sales shall be deemed to be consummated at the place of
117 business of the retailer unless the tangible personal property sold is delivered by
118 the retailer or the retailer's agent to an out-of-state destination or to a common
119 carrier for delivery to an out-of-state destination. In the event a retailer has

120 more than one place of business in this state which participates in the sale, the
121 sale shall be deemed to be consummated at the place of business of the retailer
122 where the initial order for the tangible personal property is taken, even though
123 the order must be forwarded elsewhere for acceptance, approval of credit,
124 shipment, or billing. A sale by a retailer's employee shall be deemed to be
125 consummated at the place of business from which the employee works.

126 (7)] 8. Subsequent to the initial approval by the voters and
127 implementation of a sales tax in the district, the rate of the sales tax may be
128 increased, but not to exceed a rate of one-half of one percent on retail sales **made**
129 **in the district which are subject to sales tax under chapter 144** as
130 provided in this subsection. The election shall be conducted in accordance with
131 section 67.2520; provided, however, that the district board of directors may place
132 the question of the increase of the sales tax before the voters of the district by
133 resolution, and the municipal clerk of the city, town, or village which originally
134 conducted the incorporation of the district, or the circuit clerk of the court which
135 originally conducted the incorporation of the district, shall conduct the
136 subsequent election. In subsequent elections, the election judges shall certify the
137 election results to the district board of directors. The ballot of submission shall
138 be in substantially the following form:

139 Shall _____ (name of district) increase the _____ (insert amount) percent
140 district sales tax now in effect to _____ (insert amount) in the _____ (name of
141 district)?

142 ☐ YES ☐ NO

143 If you are in favor of the question, place an "X" in the box opposite "YES". If you
144 are opposed to the question, place an "X" in the box opposite "NO".

145 If a majority of the votes cast on the proposal by the qualified voters of the
146 district voting thereon are in favor of the increase, the increase shall become
147 effective [December thirty-first of the calendar year in which such increase was
148 approved] **as provided by subsection 19 of section 32.087.**

149 [11.] 9. (1) There shall not be any election as provided for in this section
150 while the district has any financing or other obligations outstanding.

151 (2) The board, when presented with a petition signed by at least one-third
152 of the registered voters in a district that voted in the last gubernatorial election,
153 or signed by at least two-thirds of property owners of the district, calling for an
154 election to dissolve and repeal the tax shall submit the question to the voters
155 using the same procedure by which the imposing tax was voted. The ballot of

156 submission shall be in substantially the following form:

157 Shall _____ (name of district) dissolve and repeal the _____ (insert
158 amount) percent district sales tax now in effect in the _____ (name of district)?

159 ☐ YES ☐ NO

160 If you are in favor of the question, place an "X" in the box opposite "YES". If you
161 are opposed to the question, place an "X" in the box opposite "NO".

162 Such subsequent elections for the repeal of the sales tax shall be conducted in
163 accordance with section 67.2520; provided, however, that the district board of
164 directors may place the question of the repeal of the sales tax before the voters
165 of the district, and the municipal clerk of the city, town, or village which
166 originally conducted the incorporation of the district, or the circuit clerk of the
167 court which originally conducted the incorporation of the district, shall conduct
168 the subsequent election. In subsequent elections the election judges shall certify
169 the election results to the district board of directors.

170 (3) If a majority of the votes cast on the proposal by the qualified voters
171 of the district voting thereon are in favor of repeal, that repeal shall become
172 effective [December thirty-first of the calendar year in which such repeal was
173 approved or after the repayment of the district's indebtedness, whichever occurs
174 later] **as provided by subsection 19 of section 32.087. If the district**
175 **abolishes the tax, the district shall notify the director of revenue of the**
176 **action prior to the effective date of the repeal.**

177 [12.] 10. (1) At such time as the board of directors of the district
178 determines that further operation of the district is not in the best interests of the
179 inhabitants of the district, and that the district should dissolve, the board shall
180 submit for a vote in an election held throughout the district the question of
181 whether the district should be abolished. The question shall be submitted in
182 substantially the following form:

183 Shall the _____ theater, cultural arts, and entertainment district be
184 abolished?

185 ☐ YES ☐ NO

186 If you are in favor of the question, place an "X" in the box opposite "YES". If you
187 are opposed to the question, place an "X" in the box opposite "NO".

188 (2) The district board shall not propose the question to abolish the district
189 while there are outstanding claims or causes of action pending against the
190 district, while the district liabilities exceed its assets, while indebtedness of the
191 district is outstanding, or while the district is insolvent, in receivership or under

192 the jurisdiction of the bankruptcy court. Prior to submitting the question to
193 abolish the district to a vote of the entire district, the state auditor shall audit
194 the district to determine the financial status of the district, and whether the
195 district may be abolished pursuant to law. The vote on the abolition of the
196 district shall be conducted by the municipal clerk of the city, town, or village in
197 which the district is located. The procedure shall be the same as in section
198 67.2520, except that the question shall be determined by the qualified voters of
199 the entire district. No individual subdistrict may be abolished, except at such
200 time as the district is abolished.

201 (3) While the district still exists, it shall continue to accrue all revenues
202 to which it is entitled at law.

203 (4) Upon receipt by the board of directors of the district of the certification
204 by the city, town, or village in which the district is located that the majority of
205 those voting within the entire district have voted to abolish the district, and if the
206 state auditor has determined that the district's financial condition is such that
207 it may be abolished pursuant to law, then the board of directors of the district
208 shall:

209 (a) Sell any remaining district real or personal property it wishes, and
210 then transfer the proceeds and any other real or personal property owned by the
211 district to the city, town, or village in which the district is located, including
212 revenues due and owing the district, for its further use and disposition;

213 (b) Terminate the employment of any remaining district employees, and
214 otherwise conclude its affairs;

215 (c) At a public meeting of the district, declare by a resolution of the board
216 of directors passed by a majority vote that the district has been abolished
217 effective that date;

218 (d) Cause copies of that resolution under seal to be filed with the
219 secretary of state and the city, town, or village in which the district is located.
220 Upon the completion of the final act specified in this subsection, the legal
221 existence of the district shall cease.

222 (5) The legal existence of the district shall not cease for a period of two
223 years after voter approval of the abolition.

224 **11. Except as provided in this section, all provisions of sections**
225 **32.085 to 32.087 shall apply to the tax imposed under this section.**

94.578. 1. In addition to the sales tax authorized in section 94.577, the
2 governing body of any home rule city with more than one hundred fifty-one

3 thousand five hundred but less than one hundred fifty-one thousand six hundred
4 inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on
5 all retail sales made within the city which are subject to sales tax under chapter
6 144. The tax authorized in this section may be imposed at a rate of one-eighth,
7 one-fourth, three-eighths, or one-half of one percent, but shall not exceed one-half
8 of one percent, shall not be imposed for longer than three years, and shall be
9 imposed solely for the purpose of funding the construction, operation, and
10 maintenance of capital improvements in the city's center city. The governing
11 body may issue bonds for the funding of such capital improvements, which will
12 be retired by the revenues received from the sales tax authorized by this
13 section. The order or ordinance shall not become effective unless the governing
14 body of the city submits to the voters residing within the city at a state or
15 municipal general, primary, or special election a proposal to authorize the
16 governing body of the city to impose a tax under this section. The tax authorized
17 in this section shall be in addition to all other sales taxes imposed by law, and
18 shall be stated separately from all other charges and taxes.

19 2. The ballot submission for the tax authorized in this section shall be in
20 substantially the following form:

21 Shall _____ (insert the name of the city) impose a sales tax at a rate of
22 _____ (insert rate of percent) percent for [a] capital improvements purposes in
23 the city's center city for a period of _____ (insert number of years, not to exceed
24 three) years?

25 ☐ YES ☐ NO

26 If a majority of the votes cast on the question by the qualified voters voting
27 thereon are in favor of the question, then the tax shall become effective [on the
28 first day of the second calendar quarter after the director of revenue receives
29 notice of the adoption of the sales tax] **as provided by subsection 19 of**
30 **section 32.087.** If a majority of the votes cast on the question by the qualified
31 voters voting thereon are opposed to the question, then the tax shall not become
32 effective unless and until the question is resubmitted under this section to the
33 qualified voters and such question is approved by a majority of the qualified
34 voters voting on the question. In no case shall a tax be resubmitted to the
35 qualified voters of the city sooner than twelve months from the date of the
36 proposal under this section.

37 3. Any sales tax imposed under this section shall be administered,
38 collected, enforced, and operated as required in [section] **sections 32.085 to**

39 32.087. All revenue generated by the tax shall be deposited in a special trust
40 fund and shall be used solely for the designated purposes. If the tax is repealed,
41 all funds remaining in the special trust fund shall continue to be used solely for
42 the designated purposes. Any funds in the special trust fund which are not
43 needed for current expenditures shall be invested in the same manner as other
44 funds are invested. Any interest and moneys earned on such investments shall
45 be credited to the fund.

46 4. The director of revenue may authorize the state treasurer to make
47 refunds from the amounts in the trust fund and credited to any city for erroneous
48 payments and overpayments made, and may redeem dishonored checks and drafts
49 deposited to the credit of such cities. If any city abolishes the tax, the city shall
50 notify the director of revenue of the action [at least ninety days before] **prior to**
51 the effective date of the repeal, and the director of revenue may order retention
52 in the trust fund, for a period of one year, of two percent of the amount collected
53 after receipt of such notice to cover possible refunds or overpayment of the tax
54 and to redeem dishonored checks and drafts deposited to the credit of such
55 accounts. After one year has elapsed after the effective date of abolition of the
56 tax in such city, the director of revenue shall remit the balance in the account to
57 the city and close the account of that city. The director of revenue shall notify
58 each city of each instance of any amount refunded.

59 5. The governing body of any city that has adopted the sales tax
60 authorized in this section may submit the question of repeal of the tax to the
61 voters on any date available for elections for the city. The ballot of submission
62 shall be in substantially the following form:

63 Shall _____ (insert the name of the city) repeal the sales tax imposed at
64 a rate of _____ (insert rate of percent) percent for capital improvements purposes
65 in the city's center city?

66 ☐ YES ☐ NO

67 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
68 shall become effective [on December thirty-first of the calendar year in which
69 such repeal was approved] **as provided by subsection 19 of section 32.087.**
70 If a majority of the votes cast on the question by the qualified voters voting
71 thereon are opposed to the repeal, then the sales tax authorized in this section
72 shall remain effective until the question is resubmitted under this section to the
73 qualified voters, and the repeal is approved by a majority of the qualified voters
74 voting on the question. **If the city or county abolishes the tax, the city or**

75 **county shall notify the director of revenue of the action prior to the**
76 **effective date of the repeal.**

77 6. Whenever the governing body of any city that has adopted the sales tax
78 authorized in this section receives a petition, signed by ten percent of the
79 registered voters of the city voting in the last gubernatorial election, calling for
80 an election to repeal the sales tax imposed under this section, the governing body
81 shall submit to the voters of the city a proposal to repeal the tax. If a majority
82 of the votes cast on the question by the qualified voters voting thereon are in
83 favor of the repeal, that repeal shall become effective [on December thirty-first
84 of the calendar year in which such repeal was approved] **as provided by**
85 **subsection 19 of section 32.087.** If a majority of the votes cast on the question
86 by the qualified voters voting thereon are opposed to the repeal, then the tax
87 shall remain effective until the question is resubmitted under this section to the
88 qualified voters and the repeal is approved by a majority of the qualified voters
89 voting on the question.

90 **7. Except as provided in this section, all provisions of sections**
91 **32.085 to 32.087 apply to the sales tax imposed under this section.**

94.605. 1. Any city as defined in section 94.600 may by a majority vote
2 of its governing body impose a sales tax for transportation purposes enumerated
3 in sections 94.600 to 94.655.

4 2. The sales tax may be imposed at a rate not to exceed one-half of one
5 percent on [the receipts from the sale at] **all** retail [of all tangible personal
6 property or taxable services at retail] **sales** within any city adopting such tax, if
7 such property and services are subject to taxation by the state of Missouri under
8 [the provisions of sections 144.010 to 144.525] **chapter 144.**

9 3. With respect to any tax increment financing plan originally approved
10 by ordinance of the city council after March 31, 2009, in any home rule city with
11 more than four hundred thousand inhabitants and located in more than one
12 county, any three-eighths of one cent sales tax imposed under sections 94.600 to
13 94.655 shall not be considered economic activity taxes as such term is defined
14 under sections 99.805 and 99.918, and tax revenues derived from such taxes shall
15 not be subject to allocation under the provisions of subsection 3 of section 99.845
16 or subsection 4 of section 99.957. Any one-eighth of one cent sales tax imposed
17 in such city under sections 94.600 to 94.655 for constructing and operating a
18 light-rail transit system shall not be considered economic activity taxes as such
19 term is defined under sections 99.805 and 99.918, and tax revenues derived from

20 such tax shall not be subject to allocation under the provisions of subsection 3 of
21 section 99.845 or subsection 4 of section 99.957.

22 4. [If the boundaries of a city in which such sales tax has been imposed
23 shall thereafter be changed or altered, the city or county clerk shall forward to
24 the director of revenue by United States registered mail or certified mail a
25 certified copy of the ordinance adding or detaching territory from the city. The
26 ordinance shall reflect the effective date thereof, and shall be accompanied by a
27 map of the city clearly showing the territory added thereto or detached
28 therefrom. Upon receipt of the ordinance and map, the tax imposed by sections
29 94.600 to 94.655 shall be effective in the added territory or abolished in the
30 detached territory on the effective date of the change of the city boundary]
31 **Except as modified by this section, all provisions of sections 32.085 to**
32 **32.087 shall apply to the tax imposed under this section.**

94.660. 1. The governing body of any city not within a county and any
2 county of the first classification having a charter form of government with a
3 population of over nine hundred thousand inhabitants may propose, by ordinance
4 or order, a transportation sales tax of up to one percent for submission to the
5 voters of that city or county at an authorized election date selected by the
6 governing body.

7 2. Any sales tax approved under this section shall be imposed on [the
8 receipts from the sale at] **all** retail [of all tangible personal property or taxable
9 services] **sales** within the city or county adopting the tax, if such property and
10 services are subject to taxation by the state of Missouri under [sections 144.010
11 to 144.525] **chapter 144.**

12 3. The ballot of submission shall contain, but need not be limited to, the
13 following language:

14 Shall the county/city of _____ (county's or city's name) impose a
15 county/city-wide sales tax of _____ percent for the purpose of providing a source
16 of funds for public transportation purposes?

17 ☐ YES ☐ NO

18 Except as provided in subsection 4 of this section, if a majority of the votes cast
19 in that county or city not within a county on the proposal by the qualified voters
20 voting thereon are in favor of the proposal, then the tax shall go into effect [on
21 the first day of the next calendar quarter beginning after its adoption and notice
22 to the director of revenue, but no sooner than thirty days after such adoption and
23 notice] **as provided by subsection 19 of section 32.087.** If a majority of the

24 votes cast in that county or city not within a county by the qualified voters voting
25 are opposed to the proposal, then the additional sales tax shall not be imposed in
26 that county or city not within a county unless and until the governing body of
27 that county or city not within a county shall have submitted another proposal to
28 authorize the local option transportation sales tax authorized in this section, and
29 such proposal is approved by a majority of the qualified voters voting on it. In
30 no event shall a proposal pursuant to this section be submitted to the voters
31 sooner than twelve months from the date of the last proposal.

32 4. No tax shall go into effect under this section in any city not within a
33 county or any county of the first classification having a charter form of
34 government with a population over nine hundred thousand inhabitants unless
35 and until both such city and such county approve the tax.

36 5. The provisions of subsection 4 of this section requiring both the city
37 and county to approve a transportation sales tax before a transportation sales tax
38 may go into effect in either jurisdiction shall not apply to any transportation sales
39 tax submitted to and approved by the voters in such city or such county on or
40 after August 28, 2007.

41 6. All sales taxes collected by the director of revenue under this section
42 on behalf of any city or county[, less one percent for cost of collection which shall
43 be deposited in the state's general revenue fund after payment of premiums for
44 surety bonds,] shall be deposited with the state treasurer in a special trust fund,
45 which is hereby created, to be known as the "County Public Transit Sales Tax
46 Trust Fund". [The sales taxes shall be collected as provided in section
47 32.087. The moneys in the trust fund shall not be deemed to be state funds and
48 shall not be commingled with any funds of the state.] The director of revenue
49 shall keep accurate records of the amount of money in the trust fund which was
50 collected in each city or county approving a sales tax under this section, and the
51 records shall be open to inspection by officers of the city or county and the
52 public. Not later than the tenth day of each month the director of revenue shall
53 distribute all moneys deposited in the trust fund during the preceding month to
54 the city or county which levied the tax, and such funds shall be deposited with
55 the treasurer of each such city or county and all expenditures of funds arising
56 from the county public transit sales tax trust fund shall be by an appropriation
57 act to be enacted by the governing body of each such county or city not within a
58 county.

59 7. The revenues derived from any transportation sales tax under this

60 section shall be used only for the planning, development, acquisition,
61 construction, maintenance and operation of public transit facilities and systems
62 other than highways.

63 8. The director of revenue may authorize the state treasurer to make
64 refunds from the amount in the trust fund and credited to any city or county for
65 erroneous payments and overpayments made, and may redeem dishonored checks
66 and drafts deposited to the credit of such cities or counties. If any city or county
67 abolishes the tax, the city or county shall notify the director of revenue of the
68 action [at least ninety days prior to the effective date of the repeal] and the
69 director of revenue may order retention in the trust fund, for a period of one year,
70 of two percent of the amount collected after receipt of such notice to cover possible
71 refunds or overpayment of the tax and to redeem dishonored checks and drafts
72 deposited to the credit of such accounts. After one year has elapsed after the
73 effective date of abolition of the tax in such city or county, the director of revenue
74 shall authorize the state treasurer to remit the balance in the account to the city
75 or county and close the account of that city or county. The director of revenue
76 shall notify each city or county of each instance of any amount refunded or any
77 check redeemed from receipts due the city or county.

78 **9. Except as modified by this section, all provisions of sections**
79 **32.085 to 32.087 shall apply to the tax imposed under this section.**

94.705. 1. Any city may by a majority vote of its governing body impose
2 a sales tax **on all retail sales made in the city which are subject to sales**
3 **tax under chapter 144** for transportation purposes enumerated in sections
4 94.700 to 94.755, and issue bonds for transportation purposes which shall be
5 retired by the revenues received from the sales tax authorized by this
6 section. The tax authorized by this section shall be in addition to any and all
7 other sales taxes allowed by law. No ordinance imposing a sales tax pursuant to
8 the provisions of this section shall become effective unless the council or other
9 governing body submits to the voters of the city, at a city or state general,
10 primary, or special election, a proposal to authorize the council or other governing
11 body of the city to impose such a sales tax and, if such tax is to be used to retire
12 bonds authorized pursuant to this section, to authorize such bonds and their
13 retirement by such tax; except that no vote shall be required in any city that
14 imposed and collected such tax under sections 94.600 to 94.655, before January
15 5, 1984. The ballot of the submission shall contain, but is not limited to, the
16 following language:

17 (1) If the proposal submitted involves only authorization to impose the tax
18 authorized by this section, the following language:

19 Shall the city of _____ (city's name) impose a sales tax of _____ (insert
20 amount) for transportation purposes?

21 ☐ YES

☐ NO

22 If you are in favor of the question, place an "X" in the box opposite "YES".
23 If you are opposed to the question, place an "X" in the box opposite "NO";

24 (2) If the proposal submitted involves authorization to issue bonds and
25 repay such bonds with revenues from the tax authorized by this section, the
26 following language:

27 Shall the city of _____ (city's name) issue bonds in the amount of _____
28 (insert amount) for transportation purposes and impose a sales tax of _____
29 (insert amount) to repay such bonds?

30 ☐ YES

☐ NO

31 If you are in favor of the question, place an "X" in the box opposite "YES".
32 If you are opposed to the question, place an "X" in the box opposite "NO".

33 If a majority of the votes cast on the proposal, provided in subdivision (1) of this
34 subsection, by the qualified voters voting thereon are in favor of the proposal,
35 then the ordinance and any amendments thereto shall be in effect **as provided**
36 **by subsection 19 of section 32.087**. If the four-sevenths majority of the votes,
37 as required by the Missouri Constitution, Article VI, Section 26, cast on the
38 proposal, provided in subdivision (2) of this subsection to issue bonds and impose
39 a sales tax to retire such bonds, by the qualified voters voting thereon are in
40 favor of the proposal, then the ordinance and any amendments thereto shall be
41 in effect **as provided by subsection 19 of section 32.087**. If a majority of the
42 votes cast on the proposal, as provided in subdivision (1) of this subsection, by the
43 qualified voters voting thereon are opposed to the proposal, then the council or
44 other governing body of the city shall have no power to impose the tax authorized
45 in subdivision (1) of this subsection unless and until the council or other
46 governing body of the city submits another proposal to authorize the council or
47 other governing body of the city to impose the tax and such proposal is approved
48 by a majority of the qualified voters voting thereon. If more than three-sevenths
49 of the votes cast by the qualified voters voting thereon are opposed to the
50 proposal, as provided in subdivision (2) of this subsection to issue bonds and
51 impose a sales tax to retire such bonds, then the council or other governing body
52 of the city shall have no power to issue any bonds or to impose the tax authorized

53 in subdivision (2) of this subsection unless and until the council or other
54 governing body of the city submits another proposal to authorize the council or
55 other governing body of the city to issue such bonds or impose the tax to retire
56 such bonds and such proposal is approved by four-sevenths of the qualified voters
57 voting thereon.

58 2. No incorporated municipality located wholly or partially within any
59 first class county operating under a charter form of government and having a
60 population of over nine hundred thousand inhabitants shall impose such a sales
61 tax for that part of the city, town or village that is located within such first class
62 county, in the event such a first class county imposes a sales tax under the
63 provisions of sections 94.600 to 94.655.

64 3. The sales tax may be imposed at a rate not to exceed one-half of one
65 percent on the receipts from the sale at retail of all tangible personal property or
66 taxable services at retail within any city adopting such tax, if such property and
67 services are subject to taxation by the state of Missouri under the provisions of
68 [sections 144.010 to 144.525] **chapter 144.**

69 4. [If the boundaries of a city in which such sales tax has been imposed
70 shall thereafter be changed or altered, the city clerk shall forward to the director
71 of revenue by United States registered mail or certified mail a certified copy of
72 the ordinance adding or detaching territory from the city. The ordinance shall
73 reflect the effective date thereof, and shall be accompanied by a map of the city
74 clearly showing the territory added thereto or detached therefrom. Upon receipt
75 of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be
76 effective in the added territory or abolished in the detached territory on the
77 effective date of the change of the city boundary.

78 5.] No tax imposed pursuant to this section for the purpose of retiring
79 bonds issued pursuant to this section may be terminated until all of such bonds
80 have been retired.

81 **5. Except as modified by this section, all provisions of sections**
82 **32.085 to 32.087 shall apply to the tax imposed under this section.**

135.352. 1. A taxpayer owning an interest in a qualified Missouri project
2 shall, subject to the limitations provided under the provisions of subsection 3 of
3 this section, be allowed a state tax credit, whether or not allowed a federal tax
4 credit, to be termed the Missouri low-income housing tax credit, if the commission
5 issues an eligibility statement for that project.

6 2. For qualified Missouri projects placed in service after January 1, 1997,

7 the Missouri low-income housing tax credit available to a project shall be such
8 amount as the commission shall determine is necessary to ensure the feasibility
9 of the project, up to an amount equal to the federal low-income housing tax credit
10 for a qualified Missouri project, for a federal tax period, and such amount shall
11 be subtracted from the amount of state tax otherwise due for the same tax period.

12 3. No more than six million dollars in tax credits shall be authorized each
13 fiscal year for projects financed through tax-exempt bond issuance.

14 4. The Missouri low-income housing tax credit shall be taken against the
15 taxes and in the order specified pursuant to section 32.115. The credit authorized
16 by this section shall not be refundable. Any amount of credit that exceeds the tax
17 due for a taxpayer's taxable year may be carried back to any of the taxpayer's
18 three prior taxable years or carried forward to any of the taxpayer's five
19 subsequent taxable years.

20 5. All or any portion of Missouri tax credits issued in accordance with the
21 provisions of sections 135.350 to 135.362 may be allocated to parties who are
22 eligible pursuant to the provisions of subsection 1 of this section. Beginning
23 January 1, 1995, for qualified projects which began on or after January 1, 1994,
24 an owner of a qualified Missouri project shall certify to the director the amount
25 of credit allocated to each taxpayer. The owner of the project shall provide to the
26 director appropriate information so that the low-income housing tax credit can be
27 properly allocated.

28 6. In the event that recapture of Missouri low-income housing tax credits
29 is required pursuant to subsection 2 of section 135.355, any statement submitted
30 to the director as provided in this section shall include the proportion of the state
31 credit required to be recaptured, the identity of each taxpayer subject to the
32 recapture and the amount of credit previously allocated to such taxpayer.

33 7. **For each fiscal year beginning on or after July 1, 2018, no tax**
34 **credits shall be authorized under the provisions of sections 135.350 to**
35 **135.363 which, in the aggregate, exceed one hundred thirty-five million**
36 **dollars, increased by any amount of tax credits that are recaptured**
37 **under the provisions of section 135.355.**

38 8. The director of the department may promulgate rules and regulations
39 necessary to administer the provisions of this section. No rule or portion of a rule
40 promulgated pursuant to the authority of this section shall become effective
41 unless it has been promulgated pursuant to the provisions of section 536.024.

142.803. 1. A tax is levied and imposed on all motor fuel used or

2 consumed in this state as follows:

3 (1) Motor fuel, seventeen cents per gallon **until August 27,**
4 **2018. Beginning August 28, 2018, and ending August 27, 2019, such tax**
5 **shall be nineteen cents per gallon. Beginning August 28, 2019, and**
6 **ending August 27, 2020, such tax shall be twenty-one cents per**
7 **gallon. Beginning August 28, 2020, such tax shall be twenty-three cents**
8 **per gallon;**

9 (2) Alternative fuels, not subject to the decal fees as provided in section
10 142.869, with a power potential equivalent of motor fuel. In the event alternative
11 fuel, which is not commonly sold or measured by the gallon, is used in motor
12 vehicles on the highways of this state, the director is authorized to assess and
13 collect a tax upon such alternative fuel measured by the nearest power potential
14 equivalent to that of one gallon of regular grade gasoline. The determination by
15 the director of the power potential equivalent of such alternative fuel shall be
16 prima facie correct;

17 (3) Aviation fuel used in propelling aircraft with reciprocating engines,
18 nine cents per gallon as levied and imposed by section 155.080 to be collected as
19 required under this chapter;

20 (4) Compressed natural gas fuel, five cents per gasoline gallon equivalent
21 until December 31, 2019, eleven cents per gasoline gallon equivalent from
22 January 1, 2020, until December 31, 2024, [and then] seventeen cents per
23 gasoline gallon equivalent **from January 1, 2025, until December 31, 2025,**
24 **and then twenty-three cents per gasoline gallon equivalent**
25 thereafter. The gasoline gallon equivalent and method of sale for compressed
26 natural gas shall be as published by the National Institute of Standards and
27 Technology in Handbooks 44 and 130, and supplements thereto or revisions
28 thereof. In the absence of such standard or agreement, the gasoline gallon
29 equivalent and method of sale for compressed natural gas shall be equal to five
30 and sixty-six-hundredths pounds of compressed natural gas. All applicable
31 provisions contained in this chapter governing administration, collections, and
32 enforcement of the state motor fuel tax shall apply to the tax imposed on
33 compressed natural gas, including but not limited to licensing, reporting,
34 penalties, and interest;

35 (5) Liquefied natural gas fuel, five cents per diesel gallon equivalent until
36 December 31, 2019, eleven cents per diesel gallon equivalent from January 1,
37 2020, until December 31, 2024, [and then] seventeen cents per diesel gallon

38 equivalent **from January 1, 2025, until December 31, 2025, and then**
39 **twenty-three cents per diesel gallon equivalent** thereafter. The diesel
40 gallon equivalent and method of sale for liquefied natural gas shall be as
41 published by the National Institute of Standards and Technology in Handbooks
42 44 and 130, and supplements thereto or revisions thereof. In the absence of such
43 standard or agreement, the diesel gallon equivalent and method of sale for
44 liquefied natural gas shall be equal to six and six-hundredths pounds of liquefied
45 natural gas. All applicable provisions contained in this chapter governing
46 administration, collections, and enforcement of the state motor fuel tax shall
47 apply to the tax imposed on liquefied natural gas, including but not limited to
48 licensing, reporting, penalties, and interest;

49 (6) Propane gas fuel, five cents per gallon until December 31, 2019, eleven
50 cents per gallon from January 1, 2020, until December 31, 2024, [and then]
51 seventeen cents per gallon **from January 1, 2025, until December 31, 2025,**
52 **and then twenty-three cents per gallon** thereafter. All applicable provisions
53 contained in this chapter governing administration, collection, and enforcement
54 of the state motor fuel tax shall apply to the tax imposed on propane gas
55 including, but not limited to, licensing, reporting, penalties, and interest;

56 (7) If a natural gas, compressed natural gas, liquefied natural gas,
57 electric, or propane connection is used for fueling motor vehicles and for another
58 use, such as heating, the tax imposed by this section shall apply to the entire
59 amount of natural gas, compressed natural gas, liquefied natural gas, electricity,
60 or propane used unless an approved separate metering and accounting system is
61 in place.

62 2. All taxes, surcharges and fees are imposed upon the ultimate consumer,
63 but are to be precollected as described in this chapter, for the facility and
64 convenience of the consumer. The levy and assessment on other persons as
65 specified in this chapter shall be as agents of this state for the precollection of the
66 tax.

143.011. 1. A tax is hereby imposed for every taxable year on the
2 Missouri taxable income of every resident. The tax shall be determined by
3 applying the tax table or the rate provided in section 143.021, which is based
4 upon the following rates:

5 If the Missouri taxable income is:	The tax is:
6 Not over \$1,000.00	1 ½% of the Missouri taxable income
7 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000

8	Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
9	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
10	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
11	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
12	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
13	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
14	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
15	Over \$9,000	\$315 plus 6% of excess over \$9,000

16 2. (1) Beginning with the [2017] **2019** calendar year, the top rate of tax
 17 under subsection 1 of this section [may] **shall be [reduced over a period of years]**
 18 **eliminated, and the top remaining tax rate shall be reduced to five and**
 19 **one-quarter percent for all Missouri taxable income over eight**
 20 **thousand dollars, as adjusted under subsection 3 of this section.**

21 (2) Beginning with the **2020** calendar year, the remaining rates
 22 of tax under subsection 1 of this section may be reduced over a period
 23 of years, provided that no more than four such reductions shall be
 24 made under this subdivision. Each reduction in the [top rate] rates of tax
 25 shall be by one-tenth of a percent and no more than one reduction shall occur **for**
 26 **each rate** in a calendar year. [The top rate of tax shall not be reduced below
 27 five and one-half percent.] Reductions in the [rate] rates of tax shall take effect
 28 on January first of a calendar year and such reduced rates shall continue in effect
 29 until the next reduction occurs.

30 [(2)] (3) A reduction in the [rate] rates of tax shall only occur if the
 31 amount of net general revenue collected in the previous fiscal year exceeds the
 32 highest amount of net general revenue collected in any of the three fiscal years
 33 prior to such fiscal year by at least one hundred fifty million dollars.

34 [(3)] (4) Any modification of tax rates under this subsection shall only
 35 apply to tax years that begin on or after a modification takes effect.

36 [(4)] (5) The director of the department of revenue shall, by rule, adjust
 37 the tax tables under subsection 1 of this section to effectuate the provisions of
 38 this subsection. [The bracket for income subject to the top rate of tax shall be
 39 eliminated once the top rate of tax has been reduced to five and one-half of a
 40 percent] **An income bracket shall be eliminated once the top rate of tax**
 41 **is reduced below the rate that is applicable to such income**
 42 **bracket. The top remaining rate of tax shall apply to all income in**
 43 **excess of the income in the second highest remaining income bracket.**

44 3. (1) In addition to the rate reductions under subsection 2 of
45 this section, beginning with the 2019 calendar year, the top rate of tax
46 under subsection 1 of this section may be reduced by three-tenths of
47 one percent. Such reduction in the rate of tax shall take effect on
48 January first of a calendar year.

49 (2) The reduction in the top rate of tax under this subsection
50 shall only occur if the Supreme Court of the United States renders a
51 decision, a law is passed by the federal government, or the constitution
52 of the United States is amended which enables the state of Missouri to
53 require out-of-state sellers with no physical presence in the state to
54 collect and remit state and local sales taxes.

55 (3) The modification of tax rates under this subsection shall only
56 apply to tax years that begin on or after the date the modification takes
57 effect.

58 (4) The director of the department of revenue shall, by rule,
59 adjust the tax tables under subsection 1 of this section to effectuate the
60 provisions of this subsection.

61 4. Beginning with the 2017 calendar year, the brackets of Missouri
62 taxable income identified in subsection 1 of this section shall be adjusted
63 annually by the percent increase in inflation. The director shall publish such
64 brackets annually beginning on or after October 1, 2016. Modifications to the
65 brackets shall take effect on January first of each calendar year and shall apply
66 to tax years beginning on or after the effective date of the new brackets.

67 [4.] 5. As used in this section, the following terms mean:

68 (1) "CPI", the Consumer Price Index for All Urban Consumers for the
69 United States as reported by the Bureau of Labor Statistics, or its successor
70 index;

71 (2) "CPI for the preceding calendar year", the average of the CPI as of the
72 close of the twelve month period ending on August thirty-first of such calendar
73 year;

74 (3) "Percent increase in inflation", the percentage, if any, by which the
75 CPI for the preceding calendar year exceeds the CPI for the year beginning
76 September 1, 2014, and ending August 31, 2015.

143.071. 1. For all tax years beginning before September 1, 1993, a tax
2 is hereby imposed upon the Missouri taxable income of corporations in an amount
3 equal to five percent of Missouri taxable income.

2. For all tax years beginning on or after September 1, 1993, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to six and one-fourth percent of Missouri taxable income.

3. **For all tax years beginning on or after January 1, 2019, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to four and one-fourth percent of Missouri taxable income.**

4. The provisions of this section shall not apply to out-of-state businesses operating under sections 190.270 to 190.285.

143.171. 1. For all tax years beginning on or after January 1, 1994, an individual taxpayer shall be allowed a deduction for his **or her** federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed, not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on a combined return, after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by **26 U.S.C. Section 31** [(tax withheld on wages)], **26 U.S.C. Section 27** [(tax of foreign country and United States possessions)], and **26 U.S.C. Section 34** [(tax on certain uses of gasoline, special fuels, and lubricating oils)].

2. **Notwithstanding any other provision of law to the contrary, for all tax years beginning on or after January 1, 2019, an individual taxpayer shall be allowed a deduction equal to a percentage of his or her federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed, not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on a combined return, after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by 26 U.S.C. Section 31, 26 U.S.C. Section 27, and 26 U.S.C. Section 34. The deduction percentage is determined according to the following table:**

If the Missouri adjusted gross income on the return is:	The deduction percentage is:
\$25,000 or less	100 percent
From \$25,001 to \$50,000	75 percent

28	From \$50,001 to \$100,000	30 percent
29	From \$100,001 to \$150,000	10 percent
30	\$150,001 or more	0 percent

31 **3.** For all tax years beginning on or after September 1, 1993, a corporate
32 taxpayer shall be allowed a deduction for fifty percent of its federal income tax
33 liability under Chapter 1 of the Internal Revenue Code for the same taxable year
34 for which the Missouri return is being filed after reduction for all credits thereon,
35 except the credit for payments of federal estimated tax, the credit for the
36 overpayment of any federal tax, and the credits allowed by the Internal Revenue
37 Code by **26 U.S.C. Section 31** [(tax withheld on wages)], **26 U.S.C. Section 27**
38 [(tax of foreign country and United States possessions)], and **26 U.S.C. Section**
39 **34** [(tax on certain uses of gasoline, special fuels and lubricating oils)].

40 **[3.** If a federal income tax liability for a tax year prior to the applicability
41 of sections 143.011 to 143.996 for which he was not previously entitled to a
42 Missouri deduction is later paid or accrued, he may deduct the federal tax in the
43 later year to the extent it would have been deductible if paid or accrued in the
44 prior year.]

45 **4.** Notwithstanding any other provision of law to the contrary,
46 for all tax years beginning on or after January 1, 2019, no deduction for
47 any federal income tax liability under Chapter 1 of the Internal
48 Revenue Code shall be allowed to any corporate taxpayer.

143.177. 1. This section shall be known and may be cited as the
2 **"Missouri Working Family Tax Credit Act."**

3 **2.** For purposes of this section, the following terms mean:

4 **(1)** "Department," the department of revenue;

5 **(2)** "Eligible taxpayer", a resident individual with a filing status
6 of single, head of household, widowed, or married filing combined who
7 is subject to the tax imposed under chapter 143, excluding withholding
8 tax imposed under sections 143.191 to 143.265, and who is allowed a
9 federal earned income tax credit under Section 32 of the Internal
10 Revenue Code of 1986, as amended;

11 **(3)** "Tax credit," a credit against the tax otherwise due under
12 chapter 143, excluding withholding tax imposed under sections 143.191
13 to 143.265.

14 **3. (1)** For all tax years beginning on or after January 1, 2019, an
15 eligible taxpayer shall be allowed a tax credit in the amount provided

16 in subdivision (2) of this subsection. The tax credit allowed by this
17 section shall be claimed by such taxpayer at the time such taxpayer
18 files a return and shall be applied against the income tax liability
19 imposed by chapter 143 after reduction for all other credits allowed
20 thereon. If the amount of the credit exceeds the tax liability, the
21 difference shall not be refunded to the taxpayer and shall not be
22 carried forward to any subsequent tax year.

23 (2) (a) For the tax year beginning on or after January 1, 2019,
24 the tax credit provided under this section shall be equal to ten percent
25 of the amount such taxpayer would receive under the federal earned
26 income tax credit;

27 (b) For all tax years beginning on or after January 1, 2020, the
28 tax credit provided under this section shall be equal to twenty percent
29 of the amount such taxpayer would receive under the federal earned
30 income tax credit.

31 4. Notwithstanding the provisions of section 32.057 to the
32 contrary, the department shall determine whether any taxpayer filing
33 a report or return with the department who did not apply for the credit
34 authorized under this section may qualify for the credit and, if so
35 determines a taxpayer may qualify for the credit, shall notify such
36 taxpayer of his or her potential eligibility. In making a determination
37 of eligibility under this section, the department shall use any
38 appropriate and available data including, but not limited to, data
39 available from the Internal Revenue Service, the U.S. Department of
40 Treasury, and state income tax returns from previous tax years.

41 5. The department shall prepare an annual report containing
42 statistical information regarding the tax credits issued under this
43 section for the previous tax year, including the total amount of revenue
44 expended, the number of credits claimed, and the average value of the
45 credits issued to taxpayers whose earned income falls within various
46 income ranges determined by the department.

47 6. The director of the department may promulgate rules and
48 regulations to administer the provisions of this section. Any rule or
49 portion of a rule, as that term is defined in section 536.010, that is
50 created under the authority delegated in this section shall become
51 effective only if it complies with and is subject to all of the provisions
52 of chapter 536 and, if applicable, section 536.028. This section and

53 chapter 536 are nonseverable, and if any of the powers vested with the
54 general assembly pursuant to chapter 536 to review, to delay the
55 effective date, or to disapprove and annul a rule are subsequently held
56 unconstitutional, then the grant of rulemaking authority and any rule
57 proposed or adopted after August 28, 2018, shall be invalid and void.

58 7. Tax credits authorized under this section are not subject to
59 the requirements of sections 135.800 to 135.830.

60 8. Under section 23.253 of the Missouri sunset act:

61 (1) The program authorized under this section shall
62 automatically sunset on December thirty-first six years after the
63 effective date of this section unless reauthorized by an act of the
64 general assembly;

65 (2) If such program is reauthorized, the program authorized
66 under this section shall automatically sunset on December thirty-first
67 twelve years after the effective date of the reauthorization of this
68 section; and

69 (3) This section shall terminate on September first of the
70 calendar year immediately following the calendar year in which the
71 program authorized under this section is sunset.

143.261. 1. For every remittance to the director of revenue made on or
2 before the date the remittance becomes due, the employer, other than the United
3 States and its agencies, the state of Missouri and political subdivisions thereof,
4 may deduct and retain the following percentages of the total amount of tax
5 withheld and paid in each calendar year:

6 (1) Two percent of five thousand dollars or less;

7 (2) One percent of amount collected in excess of five thousand dollars and
8 up to and including ten thousand dollars;

9 (3) One-half percent of amount collected in excess of ten thousand dollars.

10 2. Notwithstanding any other provision of law to the contrary,
11 for all tax years beginning on or after January 1, 2019, no deduction
12 under subsection 1 shall be allowed.

143.451. 1. Missouri taxable income of a corporation shall include all
2 income derived from sources within this state.

3 2. For all tax years beginning before January 1, 2019, a corporation
4 described in subdivision (1) of subsection 1 of section 143.441 shall include in its
5 Missouri taxable income all income from sources within this state, including that

6 from the transaction of business in this state and that from the transaction of
7 business partly done in this state and partly done in another state or
8 states. However:

9 (1) Where income results from a transaction partially in this state and
10 partially in another state or states, and income and deductions of the portion in
11 the state cannot be segregated, then such portions of income and deductions shall
12 be allocated in this state and the other state or states as will distribute to this
13 state a portion based upon the portion of the transaction in this state and the
14 portion in such other state or states.

15 (2) The taxpayer may elect to compute the portion of income from all
16 sources in this state in the following manner, or the manner set forth in
17 subdivision (3) of this subsection:

18 (a) The income from all sources shall be determined as provided,
19 excluding therefrom the figures for the operation of any bridge connecting this
20 state with another state.

21 (b) The amount of sales which are transactions wholly in this state shall
22 be added to one-half of the amount of sales which are transactions partly within
23 this state and partly without this state, and the amount thus obtained shall be
24 divided by the total sales or in cases where sales do not express the volume of
25 business, the amount of business transacted wholly in this state shall be added
26 to one-half of the amount of business transacted partly in this state and partly
27 outside this state and the amount thus obtained shall be divided by the total
28 amount of business transacted, and the net income shall be multiplied by the
29 fraction thus obtained, to determine the proportion of income to be used to arrive
30 at the amount of Missouri taxable income. The investment or reinvestment of its
31 own funds, or sale of any such investment or reinvestment, shall not be
32 considered as sales or other business transacted for the determination of said
33 fraction.

34 (c) For the purposes of this subdivision, a transaction involving the sale
35 of tangible property is:

36 a. "Wholly in this state" if both the seller's shipping point and the
37 purchaser's destination point are in this state;

38 b. "Partly within this state and partly without this state" if the seller's
39 shipping point is in this state and the purchaser's destination point is outside
40 this state, or the seller's shipping point is outside this state and the purchaser's
41 destination point is in this state;

42 c. Not "wholly in this state" or not "partly within this state and partly
43 without this state" only if both the seller's shipping point and the purchaser's
44 destination point are outside this state.

45 (d) For purposes of this subdivision:

46 a. The purchaser's destination point shall be determined without regard
47 to the FOB point or other conditions of the sale; and

48 b. The seller's shipping point is determined without regard to the location
49 of the seller's principle office or place of business.

50 (3) The taxpayer may elect to compute the portion of income from all
51 sources in this state in the following manner:

52 (a) The income from all sources shall be determined as provided,
53 excluding therefrom the figures for the operation of any bridge connecting this
54 state with another state;

55 (b) The amount of sales which are transactions in this state shall be
56 divided by the total sales, and the net income shall be multiplied by the fraction
57 thus obtained, to determine the proportion of income to be used to arrive at the
58 amount of Missouri taxable income. The investment or reinvestment of its own
59 funds, or sale of any such investment or reinvestment, shall not be considered as
60 sales or other business transacted for the determination of said fraction;

61 (c) For the purposes of this subdivision, a transaction involving the sale
62 of tangible property is:

63 a. "In this state" if the purchaser's destination point is in this state;

64 b. Not "in this state" if the purchaser's destination point is outside this
65 state;

66 (d) For purposes of this subdivision, the purchaser's destination point
67 shall be determined without regard to the FOB point or other conditions of the
68 sale and shall not be in this state if the purchaser received the tangible personal
69 property from the seller in this state for delivery to the purchaser's location
70 outside this state;

71 (e) For the purposes of this subdivision, a transaction involving the sale
72 other than the sale of tangible property is "in this state" if the taxpayer's market
73 for the sales is in this state. The taxpayer's market for sales is in this state:

74 a. In the case of sale, rental, lease, or license of real property, if and to
75 the extent the property is located in this state;

76 b. In the case of rental, lease, or license of tangible personal property, if
77 and to the extent the property is located in this state;

78 c. In the case of sale of a service, if and to the extent the ultimate
79 beneficiary of the service is located in this state and shall not be in this state if
80 the ultimate beneficiary of the service rendered by the taxpayer or the taxpayer's
81 designee is located outside this state; and

82 d. In the case of intangible property:

83 (i) That is rented, leased, or licensed, if and to the extent the property is
84 used in this state by the rentee, lessee, or licensee, provided that intangible
85 property utilized in marketing a good or service to a consumer is "used in this
86 state" if that good or service is purchased by a consumer who is in this
87 state. Franchise fees or royalties received for the rent, lease, license, or use of a
88 trade name, trademark, service mark, or franchise system or provides a right to
89 conduct business activity in a specific geographic area are "used in this state" to
90 the extent the franchise location is in this state; and

91 (ii) That is sold, if and to the extent the property is used in this state,
92 provided that:

93 i. A contract right, government license, or similar intangible property that
94 authorizes the holder to conduct a business activity in a specific geographic area
95 is "used in this state" if the geographic area includes all or part of this state;

96 ii. Receipts from intangible property sales that are contingent on the
97 productivity, use, or disposition of the intangible property shall be treated as
98 receipts from the rental, lease, or licensing of such intangible property under item
99 (i) of this subparagraph; and

100 iii. All other receipts from a sales of intangible property shall be excluded
101 from the numerator and denominator of the sales factor;

102 (f) If the state or states of assignment under paragraph (e) of this
103 subdivision cannot be determined, the state or states of assignment shall be
104 reasonably approximated;

105 (g) If the state of assignment cannot be determined under paragraph (e)
106 of this subdivision or reasonably approximated under paragraph (f) of this
107 subdivision, such sales shall be excluded from the denominator of the sales factor;

108 (h) The director may prescribe such rules and regulations as necessary or
109 appropriate to carry out the purposes of this section.

110 (4) For purposes of this subsection, the following words shall, unless the
111 context otherwise requires, have the following meaning:

112 (a) "Administration services" include, but are not limited to, clerical, fund
113 or shareholder accounting, participant record keeping, transfer agency,

114 bookkeeping, data processing, custodial, internal auditing, legal and tax services
115 performed for an investment company;

116 (b) "Affiliate", the meaning as set forth in 15 U.S.C. Section 80a-2(a)(3)(C),
117 as may be amended from time to time;

118 (c) "Distribution services" include, but are not limited to, the services of
119 advertising, servicing, marketing, underwriting or selling shares of an investment
120 company, but, in the case of advertising, servicing or marketing shares, only
121 where such service is performed by a person who is, or in the case of a closed end
122 company, was, either engaged in the services of underwriting or selling
123 investment company shares or affiliated with a person that is engaged in the
124 service of underwriting or selling investment company shares. In the case of an
125 open end company, such service of underwriting or selling shares must be
126 performed pursuant to a contract entered into pursuant to 15 U.S.C. Section
127 80a-15(b), as from time to time amended;

128 (d) "Investment company", any person registered under the federal
129 Investment Company Act of 1940, as amended from time to time, (the act) or a
130 company which would be required to register as an investment company under
131 the act except that such person is exempt to such registration pursuant to Section
132 80a-3(c)(1) of the act;

133 (e) "Investment funds service corporation" includes any corporation or S
134 corporation doing business in the state which derives more than fifty percent of
135 its gross income in the ordinary course of business from the provision directly or
136 indirectly of management, distribution or administration services to or on behalf
137 of an investment company or from trustees, sponsors and participants of employee
138 benefit plans which have accounts in an investment company. An investment
139 funds service corporation shall include any corporation or S corporation providing
140 management services as an investment advisory firm registered under Section
141 203 of the Investment Advisors Act of 1940, as amended from time to time,
142 regardless of the percentage of gross revenues consisting of fees from
143 management services provided to or on behalf of an investment company;

144 (f) "Management services" include but are not limited to, the rendering of
145 investment advice directly or indirectly to an investment company making
146 determinations as to when sales and purchases of securities are to be made on
147 behalf of the investment company, or the selling or purchasing of securities
148 constituting assets of an investment company, and related activities, but only
149 where such activity or activities are performed;

150 a. Pursuant to a contract with the investment company entered into
151 pursuant to 15 U.S.C. Section 80a-15(a), as from time to time amended;

152 b. For a person that has entered into such contract with the investment
153 company; or

154 c. For a person that is affiliated with a person that has entered into such
155 contract with an investment company;

156 (g) "Qualifying sales", gross income derived from the provision directly or
157 indirectly of management, distribution or administration services to or on behalf
158 of an investment company or from trustees, sponsors and participants of employee
159 benefit plans which have accounts in an investment company. For purposes of
160 this section, "gross income" is defined as that amount of income earned from
161 qualifying sources without deduction of expenses related to the generation of such
162 income;

163 (h) "Residence", presumptively the fund shareholder's mailing address on
164 the records of the investment company. If, however, the investment company or
165 the investment funds service corporation has actual knowledge that the fund
166 shareholder's primary residence or principal place of business is different than
167 the fund shareholder's mailing address such presumption shall not control. To
168 the extent an investment funds service corporation does not have access to the
169 records of the investment company, the investment funds service corporation may
170 employ reasonable methods to determine the investment company fund
171 shareholder's residence.

172 (5) Notwithstanding other provisions of law to the contrary, qualifying
173 sales of an investment funds service corporation, or S corporation, shall be
174 considered wholly in this state only to the extent that the fund shareholders of
175 the investment companies, to which the investment funds service corporation, or
176 S corporation, provide services, are resided in this state. Wholly in this state
177 qualifying sales of an investment funds service corporation, or S corporation, shall
178 be determined as follows:

179 (a) By multiplying the investment funds service corporation's total dollar
180 amount of qualifying sales from services provided to each investment company by
181 a fraction, the numerator of which shall be the average of the number of shares
182 owned by the investment company's fund shareholders resided in this state
183 at the beginning of and at the end of the investment company's taxable year that
184 ends with or within the investment funds service corporation's taxable year, and
185 the denominator of which shall be the average of the number of shares owned by

186 the investment company's fund shareholders everywhere at the beginning of and
187 at the end of the investment company's taxable year that ends with or within the
188 investment funds service corporation's taxable year;

189 (b) A separate computation shall be made to determine the wholly in this
190 state qualifying sales from each investment company. The qualifying sales for
191 each investment company shall be multiplied by the respective percentage of each
192 fund, as calculated pursuant to paragraph (a) of this subdivision. The product of
193 this equation shall result in the wholly in this state qualifying sales. The
194 qualifying sales for each investment company which are not wholly in this state
195 will be considered wholly without this state;

196 (c) To the extent an investment funds service corporation has sales which
197 are not qualifying sales, those nonqualified sales shall be apportioned to this
198 state based on the methodology utilized by the investment funds service
199 corporation without regard to this subdivision.

200 3. Any corporation described in subdivision (1) of subsection 1 of section
201 143.441 organized in this state or granted a permit to operate in this state for the
202 transportation or care of passengers shall report its gross earnings within the
203 state on intrastate business and shall also report its gross earnings on all
204 interstate business done in this state which report shall be subject to inquiry for
205 the purpose of determining the amount of income to be included in Missouri
206 taxable income. The previous sentence shall not apply to a railroad.

207 4. A corporation described in subdivision (2) of subsection 1 of section
208 143.441 shall include in its Missouri taxable income all income arising from all
209 sources in this state and all income from each transportation service wholly
210 within this state, from each service where the only lines of such corporation used
211 are those in this state, and such proportion of revenue from each service where
212 the facilities of such corporation in this state and in another state or states are
213 used, as the mileage used over the lines of such corporation in the state shall
214 bear to the total mileage used over the lines of such corporation. The taxpayer
215 may elect to compute the portion of income from all sources within this state in
216 the following manner:

217 (1) The income from all sources shall be determined as provided;

218 (2) The amount of investment of such corporation on December thirty-first
219 of each year in this state in fixed transportation facilities, real estate and
220 improvements, plus the value on December thirty-first of each year of any fixed
221 transportation facilities, real estate and improvements in this state leased from

222 any other railroad shall be divided by the sum of the total amount of investment
223 of such corporation on December thirty-first of each year in fixed transportation
224 facilities, real estate and improvements, plus the value on December thirty-first
225 of each year, of any fixed transportation facilities, real estate and improvements
226 leased from any other railroad. Where any fixed transportation facilities, real
227 estate or improvements are leased by more than one railroad, such portion of the
228 value shall be used by each railroad as the rental paid by each shall bear to the
229 rental paid by all lessees. The income shall be multiplied by the fraction thus
230 obtained to determine the proportion to be used to arrive at the amount of
231 Missouri taxable income.

232 5. A corporation described in subdivision (3) of subsection 1 of section
233 143.441 shall include in its Missouri taxable income one-half of the net income
234 from the operation of a bridge between this and another state. If any such bridge
235 is owned or operated by a railroad corporation or corporations, or by a corporation
236 owning a railroad corporation using such bridge, then the figures for operation
237 of such bridge may be included in the return of such railroad or railroads; or if
238 such bridge is owned or operated by any other corporation which may now or
239 hereafter be required to file an income tax return, one-half of the income or loss
240 to such corporation from such bridge may be included in such return by adding
241 or subtracting same to or from another net income or loss shown by the return.

242 6. A corporation described in subdivision (4) of subsection 1 of section
243 143.441 shall include in its Missouri taxable income all income arising from all
244 sources within this state. Income shall include revenue from each telephonic or
245 telegraphic service rendered wholly within this state; from each service rendered
246 for which the only facilities of such corporation used are those in this state; and
247 from each service rendered over the facilities of such corporation in this state and
248 in other state or states, such proportion of such revenue as the mileage involved
249 in this state shall bear to the total mileage involved over the lines of said
250 company in all states. The taxpayer may elect to compute the portion of income
251 from all sources within this state in the following manner:

252 (1) The income from all sources shall be determined as provided;

253 (2) The amount of investment of such corporation on December thirty-first
254 of each year in this state in telephonic or telegraphic facilities, real estate and
255 improvements thereon, shall be divided by the amount of the total investment of
256 such corporation on December thirty-first of each year in telephonic or telegraphic
257 facilities, real estate and improvements. The income of the taxpayer shall be

258 multiplied by fraction thus obtained to determine the proportion to be used to
259 arrive at the amount of Missouri taxable income.

260 7. From the income determined in subsections 2, 3, 4, 5 and 6 of this
261 section to be from all sources within this state shall be deducted such of the
262 deductions for expenses in determining Missouri taxable income as were incurred
263 in this state to produce such income and all losses actually sustained in this state
264 in the business of the corporation.

265 8. If a corporation derives only part of its income from sources within
266 Missouri, its Missouri taxable income shall only reflect the effect of the following
267 listed deductions to the extent applicable to Missouri. The deductions are: (a)
268 its deduction for federal income taxes pursuant to section 143.171, and (b) the
269 effect on Missouri taxable income of the deduction for net operating loss allowed
270 by Section 172 of the Internal Revenue Code. The extent applicable to Missouri
271 shall be determined by multiplying the amount that would otherwise affect
272 Missouri taxable income by the ratio for the year of the Missouri taxable income
273 of the corporation for the year divided by the Missouri taxable income for the year
274 as though the corporation had derived all of its income from sources within
275 Missouri. For the purpose of the preceding sentence, Missouri taxable income
276 shall not reflect the listed deductions.

277 9. Any investment funds service corporation organized as a corporation
278 or S corporation which has any shareholders resided in this state shall be
279 subject to Missouri income tax as provided in this chapter.

280 10. The provisions of this section do not impact any other apportionment
281 election available to a taxpayer under Missouri statutes.

**143.455. 1. Missouri taxable income of a corporation shall
2 include all income derived from sources within this state.**

**3 2. For all tax years beginning on or after January 1, 2019, a
4 corporation described in subdivision (1) of subsection 1 of section
5 143.441 shall determine its income derived from sources within this
6 state by allocating and apportioning its net income as provided in this
7 section.**

**8 3. As used in this section, unless the context otherwise requires,
9 the following terms mean:**

10 (1) "Apportionable income":

**11 (a) All income that is apportionable under the Constitution of the
12 United States and is not allocated under the laws of this state,**

13 including:

14 a. Income arising from transactions and activity in the regular
15 course of the corporation's trade or business; and

16 b. Income arising from tangible and intangible property if the
17 acquisition, management, employment, development, or disposition of
18 the property is or was related to the operation of the corporation's
19 trade or business; and

20 (b) Any income that would be allocable to this state under the
21 Constitution of the United States, but that is apportioned rather than
22 allocated pursuant to the laws of this state;

23 (2) "Commercial domicile", the principal place from which the
24 trade or business of the corporation is directed or managed;

25 (3) "Financial organization", any bank, trust company, savings
26 bank, industrial bank, land bank, safe deposit company, private banker,
27 savings and loan association, credit union, cooperative bank, small loan
28 company, sales finance company, investment company, or any type of
29 insurance company;

30 (4) "Non-apportionable income", all income other than
31 apportionable income;

32 (5) "Public utility", any business entity:

33 (a) Which owns or operates any plant, equipment, property,
34 franchise, or license for the transmission of communications,
35 transportation of goods or persons, except by pipeline, or the
36 production, transmission, sale, delivery, or furnishing of electricity,
37 water or steam; and

38 (b) Whose rates of charges for goods or services have been
39 established or approved by a federal, state, or local government or
40 governmental agency;

41 (6) "Receipts", all gross receipts of the corporation that are not
42 allocated under the provisions of this section, and that are received
43 from transactions and activity in the regular course of the
44 corporation's trade or business; except that receipts of a corporation
45 from hedging transactions and from the maturity, redemption, sale,
46 exchange, loan or other disposition of cash or securities, shall be
47 excluded.

48 4. For purposes of allocation and apportionment of income under
49 this section, a corporation is taxable in another state if:

50 (1) In that state it is subject to a net income tax, a franchise tax
51 measured by net income, a franchise tax for the privilege of doing
52 business, or a corporate stock tax; or

53 (2) That state has jurisdiction to subject the corporation to a net
54 income tax regardless of whether, in fact, the state does or does not do
55 so.

56 5. Rents and royalties from real or tangible personal property,
57 capital gains, interest, dividends or patent or copyright royalties, to the
58 extent that they constitute nonapportionable income, shall be allocated
59 as provided in subsections 6 to 9 of this section.

60 6. (1) Net rents and royalties from real property located in this
61 state are allocable to this state.

62 (2) Net rents and royalties from tangible personal property are
63 allocable to this state:

64 (a) If and to the extent the property is utilized in this state; or

65 (b) In their entirety if the corporation's commercial domicile is
66 in this state and the corporation is not organized under the laws of or
67 taxable in the state in which the property is utilized.

68 (3) The extent of utilization of tangible personal property in a
69 state is determined by multiplying the rents and royalties by a fraction,
70 the numerator of which is the number of days of physical location of
71 the property in the state during the rental or royalty period in the
72 taxable year and the denominator of which is the number of days of
73 physical location of the property everywhere during all rental or
74 royalty periods in the taxable year. If the physical location of the
75 property during the rental or royalty period is unknown or
76 unascertainable by the corporation, tangible personal property is
77 utilized in the state in which the property was located at the time the
78 rental or royalty payer obtained possession.

79 7. (1) Capital gains and losses from sales of real property located
80 in this state are allocable to this state.

81 (2) Capital gains and losses from sales of tangible personal
82 property are allocable to this state if:

83 (a) The property had a situs in this state at the time of the sale;
84 or

85 (b) The corporation's commercial domicile is in this state and the
86 corporation is not taxable in the state in which the property had a

87 **situs.**

88 **(3) Capital gains and losses from sales of intangible personal**
89 **property are allocable to this state if the corporation's commercial**
90 **domicile is in this state.**

91 **8. Interest and dividends are allocable to this state if the**
92 **corporation's commercial domicile is in this state.**

93 **9. (1) Patent and copyright royalties are allocable to this state:**

94 **(a) If and to the extent that the patent or copyright is utilized by**
95 **the payer in this state; or**

96 **(b) If and to the extent that the patent or copyright is utilized by**
97 **the payer in a state in which the corporation is not taxable and the**
98 **corporation's commercial domicile is in this state.**

99 **(2) A patent is utilized in a state to the extent that it is employed**
100 **in production, fabrication, manufacturing, or other processing in the**
101 **state or to the extent that a patented product is produced in the state.**
102 **If the basis of receipts from patent royalties does not permit allocation**
103 **to states or if the accounting procedures do not reflect states of**
104 **utilization, the patent is utilized in the state in which the corporation's**
105 **commercial domicile is located.**

106 **(3) A copyright is utilized in a state to the extent that printing**
107 **or other publication originates in the state. If the basis of receipts**
108 **from copyright royalties does not permit allocation to states or if the**
109 **accounting procedures do not reflect states of utilization, the copyright**
110 **is utilized in the state in which the corporation's commercial domicile**
111 **is located.**

112 **10. All apportionable income shall be apportioned to this state**
113 **by multiplying the net income by a fraction, the numerator of which is**
114 **the total receipts of the corporation in this state during the tax period**
115 **and the denominator of which is the total receipts of the corporation**
116 **everywhere during the tax period.**

117 **11. Receipts from the sale of tangible personal property are in**
118 **this state if:**

119 **(1) The property is delivered or shipped to a purchaser, other**
120 **than the United States government, within this state regardless of the**
121 **f.o.b. point or other conditions of the sale; or**

122 **(2) The property is shipped from an office, store, warehouse,**
123 **factory, or other place of storage in this state; and**

124 (a) The purchaser is the United States government; or

125 (b) The corporation is not taxable in the state of the purchaser.

126 12. (1) Receipts, other than receipts described in subsection 11
127 of this section, are in this state if the corporation's market for the sales
128 is in this state. The corporation's market for sales is in this state:

129 (a) In the case of sale, rental, lease, or license of real property,
130 if and to the extent the property is located in this state;

131 (b) In the case of rental, lease, or license of tangible personal
132 property, if and to the extent the property is located in this state;

133 (c) In the case of sale of a service, if and to the extent the
134 ultimate beneficiary of the service is located in this state and shall not
135 be in this state if the ultimate beneficiary of the service rendered by
136 the corporation or the corporation's designee is located outside this
137 state; and

138 (d) In the case of intangible property:

139 a. That is rented, leased, or licensed, if and to the extent the
140 property is used in this state, provided that intangible property utilized
141 in marketing a good or service to a consumer is "used in this state" if
142 that good or service is purchased by a consumer who is in this
143 state. Franchise fees or royalties received for the rent, lease, license,
144 or use of a trade name, trademark, service mark, or franchise system
145 or provides a right to conduct business activity in a specific geographic
146 area "are used in this state" to the extent the franchise is located in this
147 state; and

148 b. That is sold, if and to the extent the property is used in this
149 state, provided that:

150 (i) A contract right, government license, or similar intangible
151 property that authorizes the holder to conduct a business activity in a
152 specific geographic area is "used in this state" if the geographic area
153 includes all or part of this state;

154 (ii) Receipts from intangible property sales that are contingent
155 on the productivity, use, or disposition of the intangible property shall
156 be treated as receipts from the rental, lease, or licensing of such
157 intangible property under subparagraph a. of this paragraph; and

158 (iii) All other receipts from a sale of intangible property shall be
159 excluded from the numerator and denominator of the receipts factor.

160 (2) If the state or states of assignment under subdivision (1) of

161 this subsection cannot be determined, the state or states of assignment
162 shall be reasonably approximated.

163 (3) If the corporation is not taxable in a state to which a receipt
164 is assigned under subdivision (1) or (2) of this subsection, or if the state
165 of assignment cannot be determined under subsection (1) of this
166 subsection or reasonably approximated under subsection (2) of this
167 subsection, such receipt shall be excluded from the numerator and the
168 denominator of the receipts factor.

169 (4) The director may prescribe regulations as necessary or
170 appropriate to carry out the purposes of this section.

171 13. (1) In the case of certain industries where unusual factual
172 situations produce inequitable results under the apportionment and
173 allocation provisions of this section, the director shall promulgate rules
174 for determining the apportionment and allocation factors for each such
175 industry, but such rules shall be applied uniformly.

176 (2) If the allocation and apportionment provisions of this section
177 do not fairly represent the extent of the corporation's income
178 applicable to this state, the corporation may petition for or the director
179 may require:

180 (a) Separate accounting;

181 (b) The inclusion of one or more additional factors which will
182 fairly represent the corporation's income applicable to this state; or

183 (c) The employment of any other method to effectuate an
184 equitable allocation and apportionment of the corporation's income.

185 (3) The party petitioning for, or the director requiring, the use
186 of any method to effectuate an equitable allocation and apportionment
187 of the corporation's income pursuant to subdivision (2) of this
188 subsection shall prove by a preponderance of evidence:

189 (a) That the allocation and apportionment provisions of this
190 section do not fairly represent the extent of the corporation's income
191 applicable to this state; and

192 (b) That the alternative to such provisions is reasonable.

193 The same burden of proof shall apply whether the corporation is
194 petitioning for, or the director is requiring, the use of any reasonable
195 method to effectuate an equitable allocation and apportionment of the
196 corporation's income. Notwithstanding the previous sentence, if the
197 director can show that in any two of the prior five tax years, the

198 corporation had used an allocation or apportionment method at
199 variance with its allocation or apportionment method or methods used
200 for such other tax years, then the director shall not bear the burden of
201 proof in imposing a different method pursuant to subdivision (2) of this
202 subsection.

203 (4) If the director requires any method to effectuate an equitable
204 allocation and apportionment of the corporation's income, the director
205 cannot impose any civil or criminal penalty with reference to the tax
206 due that is attributable to the corporation's reasonable reliance solely
207 on the allocation and apportionment provisions of this section.

208 (5) A corporation that has received written permission from the
209 director to use a reasonable method to effectuate an equitable
210 allocation and apportionment of the corporation's income shall not
211 have that permission revoked with respect to transactions and
212 activities that have already occurred unless there has been a material
213 change in, or a material misrepresentation of, the facts provided by the
214 corporation upon which the director reasonably relied.

215 14. Any corporation described in subdivision (1) of subsection 1
216 of section 143.441 organized in this state or granted a permit to operate
217 in this state for the transportation or care of passengers shall report its
218 gross earnings within the state on intrastate business and shall also
219 report its gross earnings on all interstate business done in this
220 state. Such report shall be subject to inquiry for the purpose of
221 determining the amount of income to be included in Missouri taxable
222 income. This subsection shall not apply to a railroad.

223 15. A corporation described in subdivision (2) of subsection 1 of
224 section 143.441 shall include in its Missouri taxable income all income
225 arising from all sources in this state and all income from each
226 transportation service wholly within this state, from each service
227 where the only rails and lines of such corporation used are those in
228 this state, and such proportion of revenue from each service where the
229 facilities of such corporation in this state and in another state or states
230 are used, as the mileage used over the rails and lines of such
231 corporation in the state shall bear to the total mileage used over the
232 rails and lines of such corporation. The corporation may elect to
233 compute the portion of income from all sources within this state in the
234 following manner:

235 (1) The income from all sources shall be determined as provided;

236 (2) The amount of investment of such corporation on December

237 thirty-first of each year in this state in fixed transportation facilities,

238 real estate and improvements, plus the value on December thirty-first

239 of each year of any fixed transportation facilities, real estate and

240 improvements in this state leased from any other railroad shall be

241 divided by the sum of the total amount of investment of such

242 corporation on December thirty-first of each year in fixed

243 transportation facilities, real estate and improvements, plus the value

244 on December thirty-first of each year, of any fixed transportation

245 facilities, real estate and improvements leased from any other railroad.

246 Where any fixed transportation facilities, real estate or improvements

247 are leased by more than one railroad, such portion of the value shall be

248 used by each railroad as the rental paid by each shall bear to the rental

249 paid by all lessees. The income shall be multiplied by the fraction thus

250 obtained to determine the proportion to be used to arrive at the

251 amount of Missouri taxable income.

252 16. A corporation described in subdivision (3) of subsection 1 of

253 section 143.441 shall include in its Missouri taxable income one-half of

254 the net income from the operation of a bridge between this and another

255 state. If any such bridge is owned or operated by a railroad

256 corporation or corporations, or by a corporation owning a railroad

257 corporation using such bridge, then the figures for operation of such

258 bridge may be included in the return of such railroad or railroads; or

259 if such bridge is owned or operated by any other corporation which

260 may now or hereafter be required to file an income tax return, one-half

261 of the income or loss to such corporation from such bridge may be

262 included in such return by adding or subtracting the same to or from

263 another net income or loss shown by the return.

264 17. A corporation described in subdivision (4) of subsection 1 of

265 section 143.441 shall include in its Missouri taxable income all income

266 arising from all sources within this state. Income shall include revenue

267 from each telephonic or telegraphic service rendered wholly within this

268 state; from each service rendered for which the only facilities of such

269 corporation used are those in this state; and from each service

270 rendered over the facilities of such corporation in this state and in

271 other state or states, such proportion of such revenue as the mileage

involved in this state shall bear to the total mileage involved over the lines of said company in all states. The corporation may elect to compute the portion of income from all sources within this state in the following manner:

(1) The income from all sources shall be determined as provided;

(2) The amount of investment of such corporation on December thirty-first of each year in this state in telephonic or telegraphic facilities, real estate and improvements thereon, shall be divided by the amount of the total investment of such corporation on December thirty-first of each year in telephonic or telegraphic facilities, real estate and improvements. The income of the corporation shall be multiplied by the fraction thus obtained to determine the proportion to be used to arrive at the amount of Missouri taxable income.

18. From the income determined in this section to be from all sources within this state shall be deducted such of the deductions for expenses in determining Missouri taxable income as were incurred in this state to produce such income and all losses actually sustained in this state in the business of the corporation.

19. If a corporation derives only part of its income from sources within Missouri, its Missouri taxable income shall only reflect the effect on Missouri taxable income of the deduction for net operating loss allowed by Section 172 of the Internal Revenue Code. The extent applicable to Missouri shall be determined by multiplying the amount that would otherwise affect Missouri taxable income by the ratio for the year of the Missouri taxable income of the corporation for the year divided by the Missouri taxable income for the year as though the corporation had derived all of its income from sources within Missouri. For the purpose of the preceding sentence, Missouri taxable income shall not reflect the deduction.

20. Any investment funds service corporation organized as a corporation or S corporation which has any shareholders resided in this state shall be subject to Missouri income tax as provided in this chapter.

143.461. 1. A corporation shall elect to determine income applicable to this state by multiplying the total income from all sources by the fraction determined in the manner in section [143.451] 143.455; first, by filing written notice with the director of revenue on or before the due date of the return

5 (including extensions of time) of the taxpayer's election, or, second, by failing to
6 keep its books and records in such manner as to show the income applicable to
7 this state, including gross income and deductions applicable thereto.

8 2. If the corporation shall keep its books and records so as to show **the**
9 **income applicable to this state** by any other method of allocation between
10 this state and other states [involved of income from transactions partially within
11 and partially without this state], including gross income and deductions
12 applicable thereto, and such method shows the income applicable to this state,
13 including gross income and deductions applicable thereto, then it may, on or
14 before sixty days before the end of any taxable year, petition the director of
15 revenue, in writing, to be permitted in its return required to be filed to apportion
16 to this state according to the method shown by such books or records. If the
17 director of revenue finds that such method does show the income applicable to
18 this state including gross income and the deductions applicable thereto, he **or**
19 **she** shall notify the corporation, at least thirty days prior to the last day on
20 which such corporation's return for that taxable year is to be filed, that it may
21 use that method **for the shorter of five years or** as long as such method shows
22 the income applicable to this state, including gross income and deductions
23 applicable thereto.

24 3. The corporation shall cease using such method **after the shorter of**
25 **five years or** whenever the director of revenue finds and notifies such
26 corporation on or before ninety days before the end of the taxable year, that such
27 method does not so show. Upon and after such **expiration or** revocation the
28 corporation shall be permitted to petition to use **the same or** another method of
29 allocation that will show such income including gross income and deductions
30 applicable thereto as though no petition had ever been filed.

31 4. Failure, after a method has **expired or** been revoked by the director
32 of revenue, to submit a method which the director of revenue finds will show such
33 income applicable to this state including gross income and deductions applicable
34 thereto, on or before sixty days before the end of any taxable year, or failure to
35 make a return on the basis, which has been approved by the director of revenue
36 on petition of the corporation and which stands unrevoked **or unexpired**, shall
37 constitute an election to accept the determination of income applicable to this
38 state by multiplying the total income from all sources by the fraction determined
39 in the manner set forth in section 143.451 **or, for a tax year beginning on or**
40 **after January 1, 2019, in the manner set forth in section 143.455.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing income tax on corporations.

2. A shareholder of an S corporation shall determine such shareholder's S corporation modification and pro rata share, including its character, by applying the following:

(1) Any modification described in sections 143.121 and 143.141 which relates to an item of S corporation income, gain, loss, or deduction shall be made in accordance with the shareholder's pro rata share, for federal income tax purposes, of the item to which the modification relates. Where a shareholder's pro rata share of any such item is not required to be taken into account separately for federal income tax purposes, the shareholder's pro rata share of such item shall be determined in accordance with his pro rata share, for federal income tax purposes, of S corporation taxable income or loss generally;

(2) Each item of S corporation income, gain, loss, or deduction shall have the same character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income tax purposes. Where an item is not characterized for federal income tax purposes, it shall have the same character for a shareholder as if realized directly from the source from which realized by the S corporation or incurred in the same manner as incurred by the S corporation.

3. A nonresident shareholder of an S corporation shall determine such shareholder's Missouri nonresident adjusted gross income and his or her nonresident shareholder modification by applying the provisions of this subsection. Items shall be determined to be from sources within this state pursuant to regulations of the director of revenue in a manner consistent with the division of income provisions of section 143.451, section 143.461, or section 32.200 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident shareholder of any S corporation, there shall be included only that part derived from or connected with sources in this state of the shareholder's pro rata share of items of S corporation income, gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is determined pursuant to regulations prescribed by the director of revenue in accordance with the general rules in section 143.181. Any modification described in subsections 2 and 3 of section 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or deduction shall be made in accordance with the shareholder's pro rata share, for federal income tax purposes, of the item to which

37 the modification relates, but limited to the portion of such item derived from or
38 connected with sources in this state.

39 **4. Notwithstanding subsection 3 of this section to the contrary,**
40 **for all tax years beginning on or after January 1, 2019, the items**
41 **referred to in that subsection shall be determined to be from sources**
42 **within this state pursuant to regulations of the director of revenue in**
43 **a manner consistent with the division of income provisions of section**
44 **143.455 and section 143.461.**

45 **5.** The director of revenue shall permit S corporations to file composite
46 returns and to make composite payments of tax on behalf of its nonresident
47 shareholders not otherwise required to file a return. If the nonresident
48 shareholder's filing requirements result solely from one or more interests in any
49 other partnerships or subchapter S corporations, that nonresident shareholder
50 may be included in the composite return.

51 **[5.] 6.** If an S corporation pays or credits amounts to any of its
52 nonresident individual shareholders as dividends or as their share of the S
53 corporation's undistributed taxable income for the taxable year, the S corporation
54 shall either timely file with the department of revenue an agreement as provided
55 in subsection **[6] 7** of this section or withhold Missouri income tax as provided in
56 subsection **[7] 8** of this section. An S corporation that timely files an agreement
57 as provided in subsection **[6] 7** of this section with respect to a nonresident
58 shareholder for a taxable year shall be considered to have timely filed such an
59 agreement for each subsequent taxable year. An S corporation that does not
60 timely file such an agreement for a taxable year shall not be precluded from
61 timely filing such an agreement for subsequent taxable years. An S corporation
62 is not required to deduct and withhold Missouri income tax for a nonresident
63 shareholder if:

64 (1) The nonresident shareholder not otherwise required to file a return
65 agrees to have the Missouri income tax due paid as part of the S corporation's
66 composite return;

67 (2) The nonresident shareholder not otherwise required to file a return
68 had Missouri assignable federal adjusted gross income from the S corporation of
69 less than twelve hundred dollars;

70 (3) The S corporation is liquidated or terminated;

71 (4) Income was generated by a transaction related to termination or
72 liquidation; or

73 (5) No cash or other property was distributed in the current and prior
74 taxable year.

75 [6.] 7. The agreement referred to in subdivision (1) of subsection [5] 6 of
76 this section is an agreement of a nonresident shareholder of the S corporation to:

77 (1) File a return in accordance with the provisions of section 143.481 and
78 to make timely payment of all taxes imposed on the shareholder by this state
79 with respect to income of the S corporation; and

80 (2) Be subject to personal jurisdiction in this state for purposes of the
81 collection of income taxes, together with related interest and penalties, imposed
82 on the shareholder by this state with respect to the income of the S corporation.
83 The agreement will be considered timely filed for a taxable year, and for all
84 subsequent taxable years, if it is filed at or before the time the annual return for
85 such taxable year is required to be filed pursuant to section 143.511.

86 [7.] 8. The amount of Missouri income tax to be withheld is determined
87 by multiplying the amount of dividends or undistributed income allocable to
88 Missouri that is paid or credited to a nonresident shareholder during the taxable
89 year by the highest rate used to determine a Missouri income tax liability for an
90 individual, except that the amount of the tax withheld may be determined based
91 on withholding tables provided by the director of revenue if the shareholder
92 submits a Missouri withholding allowance certificate.

93 [8.] 9. An S corporation shall be entitled to recover for a shareholder on
94 whose behalf a tax payment was made pursuant to this section, if such
95 shareholder has no tax liability.

96 [9.] 10. With respect to S corporations that are banks or bank holding
97 companies, a pro rata share of the tax credit for the tax payable pursuant to
98 chapter 148 shall be allowed against each S corporation shareholders' state
99 income tax as follows, provided the bank otherwise complies with section 148.112:

100 (1) The credit allowed by this subsection shall be equal to the bank tax
101 calculated pursuant to chapter 148 based on bank income in 1999 and after, on
102 a bank that makes an election pursuant to 26 U.S.C. Section 1362, and such
103 credit shall be allocated to the qualifying shareholder according to stock
104 ownership, determined by multiplying a fraction, where the numerator is the
105 shareholder's stock, and the denominator is the total stock issued by such bank
106 or bank holding company;

107 (2) The tax credit authorized in this subsection shall be permitted only to
108 the shareholders that qualify as S corporation shareholders, provided the stock

109 at all times during the taxable period qualifies as S corporation stock as defined
110 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
111 taxable period. The credit created by this section on a yearly basis is available
112 to each qualifying shareholder, including shareholders filing joint returns. A
113 bank holding company is not allowed this credit, except that, such credit shall
114 flow through to such bank holding company's qualified shareholders, and be
115 allocated to such shareholders under the same conditions; and

116 (3) In the event such shareholder cannot use all or part of the tax credit
117 in the taxable period of receipt, such shareholder may carry forward such tax
118 credit for a period of the lesser of five years or until used, provided such credits
119 are used as soon as the taxpayer has Missouri taxable income.

120 [10.] 11. With respect to S corporations that are associations, a pro rata
121 share of the tax credit for the tax payable under chapter 148 shall be allowed
122 against each S corporation shareholders' state income tax as follows, provided the
123 association otherwise complies with section 148.655:

124 (1) The credit allowed by this subsection shall be equal to the savings and
125 loan association tax calculated under chapter 148 based on the computations
126 provided in section 148.630 on an association that makes an election under 26
127 U.S.C. Section 1362, and such credit shall be allocated to the qualifying
128 shareholder according to stock ownership, determined by multiplying a fraction,
129 where the numerator is the shareholder's stock, and the denominator is the total
130 stock issued by the association;

131 (2) The tax credit authorized in this subsection shall be permitted only to
132 the shareholders that qualify as S corporation shareholders, provided the stock
133 at all times during the taxable period qualifies as S corporation stock as defined
134 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
135 taxable period. The credit created by this section on a yearly basis is available
136 to each qualifying shareholder, including shareholders filing joint returns. A
137 savings and loan association holding company is not allowed this credit, except
138 that, such credit shall flow through to such savings and loan association holding
139 company's qualified shareholders, and be allocated to such shareholders under
140 the same conditions; and

141 (3) In the event such shareholder cannot use all or part of the tax credit
142 in the taxable period of receipt, such shareholder may carry forward such tax
143 credit for a period of the lesser of five years or until used, provided such credits
144 are used as soon as the taxpayer has Missouri taxable income.

145 [11.] 12. With respect to S corporations that are credit institutions, a pro
146 rata share of the tax credit for the tax payable under chapter 148 shall be allowed
147 against each S corporation shareholders' state income tax as follows, provided the
148 credit institution otherwise complies with section 148.657:

149 (1) The credit allowed by this subsection shall be equal to the credit
150 institution tax calculated under chapter 148 based on the computations provided
151 in section 148.150 on a credit institution that makes an election under 26 U.S.C.
152 Section 1362, and such credit shall be allocated to the qualifying shareholder
153 according to stock ownership, determined by multiplying a fraction, where the
154 numerator is the shareholder's stock, and the denominator is the total stock
155 issued by such credit institution;

156 (2) The tax credit authorized in this subsection shall be permitted only to
157 the shareholders that qualify as S corporation shareholders, provided the stock
158 at all times during the taxable period qualifies as S corporation stock as defined
159 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
160 taxable period. The credit created by this section on a yearly basis is available
161 to each qualifying shareholder, including shareholders filing joint returns. A
162 credit institution holding company is not allowed this credit, except that, such
163 credit shall flow through to such credit institution holding company's qualified
164 shareholders, and be allocated to such shareholders under the same conditions;
165 and

166 (3) In the event such shareholder cannot use all or part of the tax credit
167 in the taxable period of receipt, such shareholder may carry forward such tax
168 credit for a period of the lesser of five years or until used, provided such credits
169 are used as soon as the taxpayer has Missouri taxable income.

144.010. 1. The following words, terms, and phrases when used in
2 [sections 144.010 to 144.525] **this chapter shall** have the meanings ascribed to
3 them in this section, except when the context indicates a different meaning:

4 (1) "Admission" includes seats and tables, reserved or otherwise, and
5 other similar accommodations and charges made therefor and amount paid for
6 admission, exclusive of any admission tax imposed by the federal government or
7 by sections 144.010 to 144.525;

8 (2) **"Advertising and promotional direct mail", printed material**
9 **that meets the definition of direct mail, the primary purpose of which**
10 **is to attract public attention to a product, person, business, or**
11 **organization, or to attempt to sell, popularize, or secure financial**

12 support for a product, person, business, or organization. As used in
13 this subdivision, the word "product" means tangible personal property,
14 a product transferred electronically or a service;

15 (3) "Agreement", the streamlined sales and use tax agreement, as
16 amended from time to time;

17 (4) "Air-to-ground radiotelephone service", a radio service, as
18 that term is defined in 47 CFR 22.99, in which common carriers are
19 authorized to offer and provide radio telecommunications service for
20 hire to subscribers in aircraft;

21 (5) "Alcoholic beverages", beverages that are suitable for human
22 consumption and contain one-half of one percent or more of alcohol by
23 volume;

24 (6) "Ancillary services", services that are associated with or
25 incidental to the provisions of telecommunications services, including
26 but not limited to, detailed telecommunications billing, directory
27 assistance, vertical service, and voice mail services. Ancillary services
28 shall not include specified digital products, digital audio-visual works,
29 digital audio works, or digital books;

30 (7) "Appliance", clothes washers and dryers, water heaters, trash
31 compactors, dishwashers, conventional ovens, ranges, stoves, air
32 conditioners, furnaces, refrigerators, and freezers;

33 (8) "Bottled water", water that is placed in a safety sealed
34 container or package for human consumption. Bottled water is calorie
35 free and does not contain sweeteners or other additives except that it
36 may contain:

37 (a) Antimicrobial agents;

38 (b) Fluoride;

39 (c) Carbonation;

40 (d) Vitamins, minerals, and electrolytes;

41 (e) Oxygen;

42 (f) Preservatives; and

43 (g) Only those flavors, extracts, or essences derived from a spice
44 or fruit.

45 Bottled water includes water that is delivered to the buyer in a
46 reusable container that is not sold with the water;

47 (9) "Bundled transaction":

48 (a) The retail sale of two or more products, except real property

49 and services to real property, where the products are otherwise distinct
50 and identifiable, and the products are sold for one nonitemized price.
51 A bundled transaction shall not include the sale of any products in
52 which the sales price varies, or is negotiable, based on the selection by
53 the purchaser of the products included in the transaction;

54 (b) As used in this subdivision, the term "distinct and identifiable
55 products" shall not include:

56 a. Packaging, such as containers, boxes, sacks, bags, and bottles,
57 or other materials, such as wrapping, labels, tags, and instruction
58 guides, that accompany the retail sale of the products and are
59 incidental or immaterial to the retail sale thereof;

60 b. A product provided free of charge with the required purchase
61 of another product. A product is provided free of charge if the sales
62 price of the product purchased does not vary depending on the
63 inclusion of the product provided free of charge;

64 c. Items included in the definition of the term sales price;

65 (c) As used in this subdivision, the term "one nonitemized price"
66 shall not include a price that is separately identified by product on
67 binding sales or other supporting sales-related documentation made
68 available to the customer in paper or electronic form, including but not
69 limited to an invoice, bill of sale, receipt, contract, service agreement,
70 lease agreement, periodic notice of rates and services, rate card, or
71 price list;

72 (d) a. A transaction that otherwise meets the definition of a
73 bundled transaction as defined in this subdivision shall not constitute
74 a bundled transaction if it is:

75 (i) A retail sale of tangible personal property and a service
76 where the tangible personal property is essential to the use of the
77 service, and is provided exclusively in connection with the service, and
78 the true object of the transaction is the service; or

79 (ii) A retail sale of services where one service is provided that
80 is essential to the use of receipt of a second service and the first
81 service is provided exclusively in connection with the second service
82 and the true object of the transaction is the second service; or

83 (iii) A transaction that includes taxable products and nontaxable
84 products and the sales price of the taxable products is de minimis.

85 b. "De minimis" means the sales price of the taxable product is

86 **ten percent or less of the total sales price of the bundled products.**

87 **c. Sellers shall use the sales price of the products to determine**
88 **if the taxable products are de minimis.**

89 **d. (i) Sellers shall use the full term of a service contract to**
90 **determine if the taxable products are de minimis; or**

91 **(ii) A retail sale of exempt tangible personal property and**
92 **taxable tangible personal property where:**

93 **i. The transaction included food and food ingredients, drugs,**
94 **durable medical equipment, mobility enhancing equipment,**
95 **over-the-counter drugs, prosthetic devices, or medical supplies; and**

96 **ii. The seller's purchase price or sales price of the taxable**
97 **tangible personal property is fifty percent or less of the total sales**
98 **price of the bundled tangible personal property. Sellers shall not use**
99 **a combination of the purchase price and sales price of the tangible**
100 **personal property when making the fifty percent determination for a**
101 **transaction;**

102 **(10) "Business" includes any activity engaged in by any person, or caused**
103 **to be engaged in by him, with the object of gain, benefit or advantage, either**
104 **direct or indirect, and the classification of which business is of such character as**
105 **to be subject to the terms of sections 144.010 to 144.525. A person is "engaging**
106 **in business" in this state for purposes of sections 144.010 to 144.525 if such**
107 **person engages in business in this state or maintains a place of business in this**
108 **state under section [144.605] 144.612. The isolated or occasional sale of tangible**
109 **personal property, service, substance, or thing, by a person not engaged in such**
110 **business, does not constitute engaging in business within the meaning of sections**
111 **144.010 to 144.525 unless the total amount of the gross receipts from such sales,**
112 **exclusive of receipts from the sale of tangible personal property by persons which**
113 **property is sold in the course of the partial or complete liquidation of a**
114 **household, farm or nonbusiness enterprise, exceeds three thousand dollars in any**
115 **calendar year. The provisions of this subdivision shall not be construed to make**
116 **any sale of property which is exempt from sales tax or use tax on June 1, 1977,**
117 **subject to that tax thereafter;**

118 **(11) "Calendar quarter", the period of three consecutive calendar**
119 **months ending on March thirty-first, June thirtieth, September**
120 **thirtieth or December thirty-first;**

121 **(12) "Call-by-call basis", any method of charging for**

122 telecommunications services where the price is measured by individual
123 calls;

124 (13) "Candy", a preparation of sugar, honey, or other natural or
125 artificial sweeteners in combination with chocolate, fruits, nuts, or
126 other ingredients or flavorings in the form of bars, drops, or
127 pieces. Candy shall not include any preparation containing flour and
128 shall require no refrigeration;

129 [(3)] (14) "Captive wildlife", includes but is not limited to exotic
130 partridges, gray partridge, northern bobwhite quail, ring-necked pheasant,
131 captive waterfowl, captive white-tailed deer, captive elk, and captive furbearers
132 held under permit issued by the Missouri department of conservation for hunting
133 purposes. The provisions of this subdivision shall not apply to sales tax on a
134 harvested animal;

135 (15) "Certified automated system" or "CAS", software certified
136 under the streamlined sales and use tax agreement to calculate the tax
137 imposed by each jurisdiction on a transaction, determine the amount
138 of tax to remit to the appropriate state, and maintain a record of the
139 transaction;

140 (16) "Certified service provider" or "CSP", an agent certified
141 under the streamlined sales and use tax agreement to perform all the
142 seller's sales and use tax functions, other than the seller's obligation to
143 remit tax on its own purchases;

144 (17) "Clothing":

145 (a) All human wearing apparel suitable for general use;

146 (b) Clothing shall include:

147 a. Aprons, household and shop;

148 b. Athletic supporters;

149 c. Baby receiving blankets;

150 d. Bathing suits and caps;

151 e. Beach capes and coats;

152 f. Belts and suspenders;

153 g. Boots;

154 h. Coats and jackets;

155 i. Costumes;

156 j. Diapers, children and adult, including disposable diapers;

157 k. Ear muffs;

158 l. Footlets;

- 159 **m. Formal wear;**
160 **n. Garters and garter belts;**
161 **o. Girdles;**
162 **p. Gloves and mittens for general use;**
163 **q. Hats and caps;**
164 **r. Hosiery;**
165 **s. Insoles for shoes;**
166 **t. Lab coats;**
167 **u. Neckties;**
168 **v. Overshoes;**
169 **w. Pantyhose;**
170 **x. Rainwear;**
171 **y. Rubber pants;**
172 **z. Sandals;**
173 **aa. Scarves;**
174 **bb. Shoes and shoe laces;**
175 **cc. Slippers;**
176 **dd. Sneakers;**
177 **ee. Socks and stockings;**
178 **ff. Steel toed shoes;**
179 **gg. Underwear;**
180 **hh. Uniforms, athletic and nonathletic; and**
181 **ii. Wedding apparel;**
182 **(c) Clothing shall not include:**
183 **a. Belt buckles sold separately;**
184 **b. Costume masks sold separately;**
185 **c. Patches and emblems sold separately;**
186 **d. Sewing equipment and supplies, including but not limited to,**
187 **knitting needles, patterns, pins, scissors, sewing machines, sewing**
188 **needles, tape measures, and thimbles; and**
189 **e. Sewing materials that become part of clothing, including but**
190 **not limited to buttons, fabric, lace, thread, yarn, and zippers;**
191 **(18) "Clothing accessories and equipment", incidental items worn**
192 **on the person or in conjunction with clothing. Clothing accessories or**
193 **equipment are mutually exclusive of clothing, sport or recreational**
194 **equipment, and protective equipment;**
195 **(19) "Coin-operated telephone service", a telecommunications**

196 service paid for by inserting money into a telephone accepting direct
197 deposits of money to operate;

198 (20) "Communications channel", a physical or virtual path of
199 communications over which signals are transmitted between or among
200 customer channel termination points;

201 (21) "Computer", an electronic device that accepts information in
202 digital or similar form and manipulates it for a result based on a
203 sequence of instructions;

204 (22) "Computer software", a set of coded instructions designed to
205 cause a computer or automatic data processing equipment to perform
206 a task. Computer software shall not include specified digital products,
207 digital audio-visual works, digital audio works, or digital books;

208 (23) "Conference bridging service", an ancillary service that links
209 two or more participants of an audio or video conference call and may
210 include the provision of a telephone number. Conference bridging
211 service does not include the telecommunications services used to reach
212 the conference bridge;

213 (24) "Customer", the person or entity that contracts with the
214 seller of telecommunications services. If the end user of
215 telecommunications services is not the contracting party, the end user
216 of the telecommunications service is the customer of the
217 telecommunication service, but this definition only applies to the
218 purpose of sourcing sales of telecommunications services under section
219 144.114. Customer shall not include a reseller of telecommunications
220 service or for mobile telecommunications service of a serving carrier
221 under an agreement to serve the customer outside the home service
222 provider's licensed service area;

223 (25) "Customer channel termination point", the location where
224 the customer either inputs or receives the communication;

225 (26) "Delivered electronically", delivered to the purchaser by
226 means other than tangible storage media;

227 (27) "Delivery charges", charges by the seller of personal
228 property or services for preparation and delivery to a location
229 designated by the purchaser of personal property or services, including
230 but not limited to transportation, shipping, postage, handling, crating,
231 and packing;

232 (28) "Detailed telecommunications billing service", an ancillary

233 service of separately stating information pertaining to individual calls
234 on a customer's billing statement;

235 (29) "Dietary supplement", any product, other than tobacco,
236 intended to supplement the diet that contains one or more of the
237 following dietary ingredients: a vitamin; a mineral; an herb or other
238 botanical; an amino acid; a dietary substance for use by humans to
239 supplement the diet by increasing the total dietary intake; or a
240 concentrate, metabolite, constituent, extract, or combination of any
241 ingredient described above; and that is intended for ingestion in tablet,
242 capsule, powder, softgel, gelcap, or liquid form, or if not intended for
243 ingestion in such a form, is not represented as a conventional food and
244 is not represented for use as a sole item of a meal or of the diet; and
245 that is required to be labeled as a dietary supplement, identifiable by
246 the supplemental facts box found on the label and as required under 21
247 CFR Section 101.36;

248 (30) "Digital audio works", works that result from the fixation of
249 a series of musical, spoken, or other sounds, including ringtones;

250 (31) "Digital audio-visual works", a series of related images
251 which, when shown in succession, impart an impression of motion,
252 together with accompanying sounds, if any;

253 (32) "Digital books", works that are generally recognized in the
254 ordinary and usual sense as books;

255 (33) "Direct mail", printed material delivered or distributed by
256 United States mail or other delivery service to a mass audience or to
257 addressees on a mailing list provided by the purchaser or at the
258 direction of the purchaser when the cost of the items are not billed
259 directly to the recipients. Direct mail shall include tangible personal
260 property supplied directly or indirectly by the purchaser to the direct
261 mail seller for inclusion in the package containing the printed
262 material. Direct mail shall not include multiple items of printed
263 material delivered to a single address;

264 (34) "Directory assistance", an ancillary service of providing
265 telephone number information, and/or address information;

266 (35) "Drug":

267 (a) A compound, substance, or preparation, and any component
268 of a compound, substance, or preparation, other than food and food
269 ingredients, dietary supplements, alcoholic beverages, or grooming and

270 hygiene products:

271 a. Recognized in the official United States Pharmacopoeia,
272 official Homeopathic Pharmacopoeia of the United States, or official
273 National Formulary, and supplement to any of them;

274 b. Intended for use in the diagnosis, cure, mitigation, treatment,
275 or prevention of disease; or

276 c. Intended to affect the structure or any function of the body;

277 (b) Drug shall include insulin and medical oxygen;

278 (36) "Durable medical equipment", equipment including repair
279 and replacement parts for same, excluding mobility enhancing
280 equipment. Durable medical equipment:

281 (a) Can withstand repeated use;

282 (b) Is primarily and customarily used to serve a medical purpose;

283 (c) Generally is not useful to a person in the absence of illness
284 or injury;

285 (d) Is not worn in or on the body;

286 (e) Is for home use;

287 (f) Is within the classification of devices eligible for MO
288 HealthNet and Medicare reimbursement;

289 (g) Shall not include:

290 a. Kidney dialysis equipment not worn in or on the body,
291 including repair and replacement parts; and

292 b. Enteral feeding systems not worn in or on the body, including
293 repair and replacement parts.

294 As used in this subdivision, repair and replacement parts shall include
295 all components or attachments used in conjunction with the durable
296 medical equipment;

297 (37) "Electronic", relating to technology having electrical, digital,
298 magnetic, wireless, optical, electromagnetic, or similar capabilities;

299 (38) "End user", the person who utilizes the telecommunication
300 service. In case of an entity, "end user" means the individual who
301 utilizes the service on behalf of the entity;

302 (39) "Energy star qualified product", a product that meets the
303 energy efficient guidelines set by the United States Environmental
304 Protection Agency and the United States Department of Energy that are
305 authorized to carry the Energy Star label. Covered products are those
306 listed at www.energystar.gov or successor address;

307 **(40) "Engages in business activities within this state" includes:**
308 **(a) Maintaining or having a franchisee or licensee operating**
309 **under the seller's trade name in this state if the franchisee or licensee**
310 **is required to collect sales tax pursuant to sections 144.010 to 144.525;**
311 **(b) Soliciting sales or taking orders by sales agents or traveling**
312 **representatives;**
313 **(c) A vendor is presumed to engage in business activities within**
314 **this state if any person, other than a common carrier acting in its**
315 **capacity as such, that has substantial nexus with this state:**
316 **a. Sells a similar line of products as the vendor and does so**
317 **under the same or a similar business name;**
318 **b. Maintains an office, distribution facility, warehouse, or**
319 **storage place, or similar place of business in the state to facilitate the**
320 **delivery of property or services sold by the vendor to the vendor's**
321 **customers;**
322 **c. Delivers, installs, assembles, or performs maintenance services**
323 **for the vendor's customers within the state;**
324 **d. Facilitates the vendor's delivery of property to customers in**
325 **the state by allowing the vendor's customers to pick up property sold**
326 **by the vendor at an office, distribution facility, warehouse, storage**
327 **place, or similar place of business maintained by the person in the**
328 **state; or**
329 **e. Conducts any other activities in the state that are significantly**
330 **associated with the vendor's ability to establish and maintain a market**
331 **in the state for the sales;**
332 **(d) The presumption in paragraph (c) may be rebutted by**
333 **demonstrating that the person's activities in the state are not**
334 **significantly associated with the vendor's ability to establish or**
335 **maintain a market in this state for the vendor's sales;**
336 **(e) Notwithstanding paragraph (c), a vendor shall be presumed**
337 **to engage in business activities within this state if the vendor enters**
338 **into an agreement with one or more residents of this state under which**
339 **the resident, for a commission or other consideration, directly or**
340 **indirectly refers potential customers, whether by a link on an internet**
341 **website, an in-person oral presentation, telemarketing, or otherwise, to**
342 **the vendor, if the cumulative gross receipts from sales by the vendor**
343 **to customers in the state who are referred to the vendor by all**

344 residents with this type of an agreement with the vendor is in excess
345 of ten thousand dollars during the preceding twelve months;

346 (f) The presumption in paragraph (e) may be rebutted by
347 submitting proof that the residents with whom the vendor has an
348 agreement did not engage in any activity within the state that was
349 significantly associated with the vendor's ability to establish or
350 maintain the vendor's market in the state during the preceding twelve
351 months. Such proof may consist of sworn written statements from all
352 of the residents with whom the vendor has an agreement stating that
353 they did not engage in any solicitation in the state on behalf of the
354 vendor during the preceding year provided that such statements were
355 provided and obtained in good faith;

356 (41) "Food and food ingredients", substances, whether in liquid,
357 concentrated, solid, frozen, dried, or dehydrated form, that are sold for
358 ingestion or chewing by humans and are consumed for their taste or
359 nutritional value. Food and food ingredients shall not include alcoholic
360 beverages, tobacco, or dietary supplements;

361 (42) "Food sold through vending machines", food, food
362 ingredients, prepared food, bottled water, candy, and soft drinks
363 dispensed from a machine or other mechanical device that accepts
364 payment;

365 (43) "Grooming and hygiene products", soaps and cleaning
366 solutions, shampoo, toothpaste, mouthwash, antiperspirants, and
367 suntan lotions and screens, regardless of whether the items meet the
368 definition of over-the-counter-drugs;

369 [(4)] (44) "Gross receipts"[.] or "sales price":

370 (a) Except as provided in section 144.012, [means the total amount of the
371 sale price of the sales at retail including any services other than charges incident
372 to the extension of credit that are a part of such sales made by the businesses
373 herein referred to, capable of being valued in money, whether received in money
374 or otherwise; except that, the term gross receipts shall not include the sale price
375 of property returned by customers when the full sale price thereof is refunded
376 either in cash or by credit. In determining any tax due under sections 144.010
377 to 144.525 on the gross receipts, charges incident to the extension of credit shall
378 be specifically exempted. For the purposes of sections 144.010 to 144.525 the
379 total amount of the sale price above mentioned shall be deemed to be the amount
380 received. It shall also include the lease or rental consideration where the right

381 to continuous possession or use of any article of tangible personal property is
382 granted under a lease or contract and such transfer of possession would be
383 taxable if outright sale were made and, in such cases, the same shall be taxable
384 as if outright sale were made and considered as a sale of such article, and the tax
385 shall be computed and paid by the lessee upon the rentals paid. The term "gross
386 receipts" shall not include usual and customary delivery charges that are stated
387 separately from the sale price] **applies to the measure subject to sales tax**
388 **and means the total amount of consideration, including cash, credit,**
389 **property, and services, for which personal property or services are**
390 **sold, leased, or rented, valued in money, whether received in money or**
391 **otherwise, without any deduction for the following:**

- 392 a. **The seller's cost of the property sold;**
- 393 b. **The cost of materials used, labor or service cost, interest,**
394 **losses, all costs of transportation to the seller, all taxes imposed on the**
395 **seller, and any other expense of the seller;**
- 396 c. **Charges by the seller for any services necessary to complete**
397 **the sale, other than delivery and installation charges;**
- 398 d. **Delivery charges; and**
- 399 e. **Credit for any trade-in;**

400 **(b) Shall not include:**

- 401 a. **Discounts, including cash, term, or coupons that are not**
402 **reimbursed by a third party that are allowed by a seller and taken by**
403 **a purchaser on a sale;**
- 404 b. **Interest, financing, and carrying charges from credit extended**
405 **on the sale of personal property or services, if the amount is separately**
406 **stated on the invoice, bill of sale, or similar document given to the**
407 **purchaser; and**
- 408 c. **Any taxes legally imposed directly on the consumer that are**
409 **separately stated on the invoice, bill of sale, or similar document given**
410 **to the purchaser;**

411 **(c) Shall include consideration received by the seller from third**
412 **parties if:**

- 413 a. **The seller actually receives consideration from a party other**
414 **than the purchaser and the consideration is directly related to a price**
415 **reduction or discount on the sale;**
- 416 b. **The seller has an obligation to pass the price reduction or**
417 **discount through to the purchaser;**

418 c. The amount of the consideration attributable to the sale is
419 fixed and determinable by the seller at the time of the sale of the item
420 to the purchaser; and

421 d. One of the following criteria is met:

422 (i) The purchaser presents a coupon, certificate, or other
423 documentation to the seller to claim a price reduction or discount
424 where the coupon, certificate, or documentation is authorized,
425 distributed, or granted by a third party with the understanding that
426 the third party will reimburse any seller to whom the coupon,
427 certificate, or documentation is presented;

428 (ii) The purchaser identifies himself or herself to the seller as a
429 member of a group or organization entitled to a price reduction or
430 discount (a preferred customer card that is available to any patron
431 does not constitute membership in such a group); or

432 (iii) The price reduction or discount is identified as a third-party
433 price reduction or discount on the invoice received by the purchaser
434 or on a coupon, certificate, or other documentation presented by the
435 purchaser;

436 (45) "Home service provider", the same as such term is defined
437 in Section 124(5) of Public Law 106-252, Mobile Telecommunications
438 Sourcing Act;

439 (46) "Lease or rental":

440 (a) Any transfer of possession or control of tangible personal
441 property for a fixed or indeterminate term for consideration. A lease
442 or rental may include future options to purchase or extend;

443 (b) Lease or rental shall not include:

444 a. A transfer of possession or control of property under a
445 security agreement or deferred payment plan that requires the transfer
446 of title upon completion of the required payments;

447 b. A transfer of possession or control of property under an
448 agreement that requires the transfer of title upon completion of
449 required payments and where any payment of an option price does not
450 exceed the greater of one hundred dollars or one percent of the total
451 required payments;

452 c. Providing tangible personal property along with an operator
453 for a fixed or indeterminate period of time provided that the operator
454 is necessary for the equipment to perform as designed and the operator

455 **does more than maintain, inspect, or set up the tangible personal**
456 **property;**

457 **(c) Lease or rental includes agreements covering motor vehicles**
458 **and trailers where the amount of consideration may be increased or**
459 **decreased by reference to the amount realized upon sale or disposition**
460 **of the property as defined in 26 U.S.C. Section 7701(h)(1), as amended;**

461 **(47) "Light aircraft", a light airplane that seats no more than four**
462 **persons, with a gross weight of three thousand pounds or less, which**
463 **is primarily used for recreational flying or flight training;**

464 **(48) "Light aircraft kit", factory manufactured light aircraft parts**
465 **and components, including engine, propeller, instruments, wheels,**
466 **brakes, and air frame parts which make up a complete aircraft kit or**
467 **partial kit designed to be assembled into a light aircraft and then**
468 **operated by a qualified light aircraft purchaser for recreational and**
469 **educational purposes;**

470 **(49) "Light aircraft parts and components", manufactured light**
471 **aircraft parts, including air frame and engine parts, that are required**
472 **by the qualified light aircraft purchaser to complete a light aircraft kit,**
473 **or spare or replacement parts for an already completed light aircraft;**

474 **[(5)] (50) "Instructional class", includes any class, lesson, or instruction**
475 **intended or used for teaching;**

476 **[(6)] (51) "Livestock", cattle, calves, sheep, swine, ratite birds, including**
477 **but not limited to, ostrich and emu, aquatic products as defined in section**
478 **277.024, llamas, alpaca, buffalo, elk documented as obtained from a legal source**
479 **and not from the wild, goats, horses, other equine, or rabbits raised in**
480 **confinement for human consumption;**

481 **(52) "Load and leave", delivery to the purchaser by use of a**
482 **tangible storage media where the tangible storage media is not**
483 **physically transferred to the purchaser;**

484 **(53) "Maintains a place of business in this state", includes**
485 **maintaining, occupying, or using, permanently or temporarily, directly**
486 **or indirectly, or through a subsidiary, or agent, by whatever name**
487 **called, an office, place of distribution, sales or sample room or place,**
488 **warehouse or storage place, or other place of business;**

489 **(54) "Mobile telecommunications service", the same as such term**
490 **is defined in Section 124(7) of Public Law 106-252, Mobile**
491 **Telecommunications Sourcing Act;**

492 **(55) "Mobility enhancing equipment", equipment, including repair**
493 **and replacement parts to same, which:**

494 **(a) Is primarily and customarily used to provide or increase the**
495 **ability to move from one place to another and which is appropriate for**
496 **use either in a home or a motor vehicle; and**

497 **(b) Is not generally used by persons with normal mobility; and**

498 **(c) Is within the classification of devices eligible for MO**
499 **HealthNet and Medicare reimbursement.**

500 **Mobility enhancement equipment shall not include durable medical**
501 **equipment or any motor vehicle or equipment on a motor vehicle**
502 **normally provided by a motor vehicle manufacturer;**

503 **(56) "Model 1 seller", a seller registered under the agreement that**
504 **has selected a certified service provider as its agent to perform all the**
505 **seller's sales and use tax functions, other than the seller's obligation to**
506 **remit tax on its own purchases;**

507 **(57) "Model 2 seller", a seller that has selected a certified**
508 **automated system (CAS) to perform part of its sales and use tax**
509 **functions, but retains responsibility for remitting the tax;**

510 **(58) "Model 3 seller", a seller registered under the agreement that**
511 **has sales in at least five member states, has total annual sales revenue**
512 **of at least five hundred million dollars, has a proprietary system that**
513 **calculates the amount of tax due each jurisdiction, and has entered into**
514 **a performance agreement with the member states that establishes a tax**
515 **performance standard for the seller. As used in this subdivision, a**
516 **seller shall include an affiliated group of sellers using the same**
517 **proprietary system;**

518 **(59) "Model 4 seller", a seller that is registered under the**
519 **agreement and is not a Model 1 Seller, a Model 2 Seller, or a Model 3**
520 **Seller;**

521 **[(7)] (60) "Motor vehicle leasing company" [shall be], a company**
522 **obtaining a permit from the director of revenue to operate as a motor vehicle**
523 **leasing company. Not all persons renting or leasing trailers or motor vehicles**
524 **need to obtain such a permit; however, no person failing to obtain such a permit**
525 **may avail itself of the optional tax provisions of subsection 5 of section 144.070,**
526 **as hereinafter provided;**

527 **(61) "Optional computer software maintenance contract", a**
528 **computer software maintenance contract that a customer is not**

529 obligated to purchase as a condition to the retail sale of computer
530 software;

531 (62) "Other direct mail", any direct mail that is not advertising
532 and promotional direct mail regardless of whether advertising and
533 promotional direct mail is included in the same mailing. Other direct
534 mail includes, but is not limited to:

535 (a) Transactional direct mail that contains personal information
536 specific to the one addressee including, but not limited to, invoices,
537 bills, statements of account, and payroll advices;

538 (b) Any legally required mailings including, but not limited to,
539 privacy notices, tax reports, and stockholder reports; and

540 (c) Other nonpromotional direct mail delivered to existing or
541 former shareholders, customers, employees, or agents including, but not
542 limited to, newsletters and informational pieces.

543 Other direct mail shall not include the development of billing
544 information or the provision or any data processing service that is
545 more than incidental;

546 (63) "Over-the-counter-drug", a drug, excluding grooming and
547 hygiene products, that contains a label that identifies the product as a
548 drug as required by 21 CFR Section 201.66 and includes:

549 (a) A drug facts panel; or

550 (b) A statement of the active ingredients with a list of those
551 ingredients contained in the compound, substance, or preparation;

552 [(8)] (64) "Person" includes any individual, firm, copartnership, joint
553 adventure, association, corporation, municipal or private, and whether organized
554 for profit or not, state, county, political subdivision, state department,
555 commission, board, bureau or agency, [except the state transportation
556 department,] estate, trust, business trust, receiver or trustee appointed by the
557 state or federal court, syndicate, or any other group or combination acting as a
558 unit, and the plural as well as the singular number, or any other legal entity;

559 (65) "Place of primary use", the street address representative of
560 where the customer's use of the telecommunications service primarily
561 occurs, which must be the residential street address or the primary
562 business street address of the customer. In the case of mobile
563 telecommunications services, place of primary use must be within the
564 licensed service area of the home service provider;

565 (66) "Post-paid calling service", the telecommunications service

566 obtained by making a payment on a call-by-call basis either through the
567 use of a credit card or payment mechanism such as a bank card, travel
568 card, credit card, or debit card, or by charge made to a telephone
569 number which is not associated with the origination or termination of
570 the telecommunications service. A post-paid calling service includes a
571 telecommunications service, except a prepaid wireless calling service,
572 that would be a prepaid calling service except it is not exclusively a
573 telecommunications service;

574 (67) "Prepaid calling service", the right to access exclusively
575 telecommunications services, which must be paid for in advance and
576 which enables the origination of calls using an access number or
577 authorization code, whether manually or electronically dialed, and that
578 is sold in predetermined units or dollars of which the number declines
579 with use in a known amount;

580 (68) "Prepaid wireless calling service", a telecommunications
581 service that provides the right to utilize mobile wireless services as
582 well as other nontelecommunications services, including the download
583 of digital products delivered electronically, content and ancillary
584 services, which must be paid for in advance and that is sold in
585 predetermined units or dollars of which the number declines with use
586 in a known amount;

587 (69) "Prepared food", food sold in a heated state or heated by the
588 seller; two or more food ingredients mixed or combined by the seller for
589 sale as a single item; or food sold with eating utensils provided by the
590 seller, including plates, knives, forks, spoons, glasses, cups, napkins, or
591 straws. A plate shall not include a container or packaging used to
592 transport the food. Prepared food shall not include food that is only
593 cut, repackaged, or pasteurized by the seller and eggs, fish, meat,
594 poultry, and foods containing these raw animal foods requiring cooking
595 by the consumer as recommended by the Food and Drug Administration
596 in Chapter 3, Part 401.11 of the Food Code so as to prevent food borne
597 illnesses;

598 (70) "Prescription", an order, formula, or recipe issued in any
599 form of oral, written, electronic, or other means of transmission by a
600 duly licensed practitioner authorized by the laws of the state;

601 (71) "Prewritten computer software", computer software,
602 including prewritten upgrades, which is not designed and developed by

603 the author or other creator to the specifications of a specific
604 purchaser. The combining of two or more prewritten computer software
605 programs or prewritten portions thereof shall not cause the combination
606 to be other than prewritten computer software. Prewritten computer
607 software shall include software designed and developed by the author or
608 other creator to the specifications of a specific purchaser when it is sold
609 to a person other than the specific purchaser. Where a person modifies
610 or enhances computer software of which the person is not the author or
611 creator, the person shall be deemed to be the author or creator only of
612 such person's modifications or enhancements. Prewritten computer
613 software or a prewritten portion thereof that is modified or enhanced to
614 any degree, where such modification or enhancement is designed and
615 developed to the specifications of a specific purchaser, remains
616 prewritten computer software; provided, however, that where there is
617 a reasonable, separately stated charge or an invoice or other statement
618 of the price given to the purchaser for such modification or
619 enhancement, such modification or enhancement shall not constitute
620 prewritten computer software;

621 (72) "Private communication service", a telecommunications
622 service that entitles the customer to exclusive or priority use of a
623 communications channel or group of channels between or among
624 termination points, regardless of the manner in which such channel or
625 channels are connected, and includes switching capacity, extension
626 lines, stations, and any other associated services that are provided in
627 connection with the use of such channel or channels;

628 (73) "Product-based exemption", an exemption based on the
629 description of the product and not based on who purchases the product
630 or how the purchaser intends to use the product;

631 [(9)] (74) "Product which is intended to be sold ultimately for final use
632 or consumption" [means], tangible personal property, or any service that is
633 subject to state or local sales or use taxes, or any tax that is substantially
634 equivalent thereto, in this state or any other state;

635 (75) "Prosthetic device", a replacement, corrective, or supportive
636 device including repair and replacement parts for same worn on or in
637 the body to artificially replace a missing portion of the body, prevent
638 or correct physical deformity or malfunction, or support a weak or
639 deformed portion of the body. The term "prosthetic device" shall not

640 include corrective eyeglasses or contact lenses and shall be limited to
641 the classification of devices eligible for MO HealthNet and Medicare
642 reimbursement;

643 (76) "Protective equipment", items for human wear and designed
644 as protection of the wearer against injury or disease or as protections
645 against damage or injury of other persons or property but not suitable
646 for general use. Protective equipment are mutually exclusive of
647 clothing, clothing accessories or equipment, and sport or recreational
648 equipment;

649 (77) "Purchase", the acquisition of the ownership of, or title to,
650 tangible personal property, through a sale, as defined herein, for the
651 purpose of storage, use, or consumption in this state;

652 (78) "Purchase price", applies to the measure subject to use tax
653 and has the same meaning as sales price;

654 [(10)] (79) "Purchaser" [means], a person who purchases tangible
655 personal property or to whom are rendered services, receipts from which are
656 taxable under sections 144.010 to 144.525;

657 (80) "Qualified light aircraft purchaser", a purchaser of a light
658 aircraft, light aircraft kit, light aircraft parts, or components who is a
659 nonresident of this state, who will transport the light aircraft, light
660 aircraft kit, light aircraft parts, or components outside this state within
661 ten days after the date of purchase, and who will register any light
662 aircraft so purchased in another state or country. Such purchaser shall
663 not base such aircraft in this state and such purchaser shall not be a
664 resident of the state unless such purchaser has paid sales or use tax on
665 such aircraft in another state;

666 (81) "Receive" or "receipt", taking possession of tangible personal
667 property; making first use of services; or taking possession or making
668 first use of digital goods, whichever comes first. Receive and receipt
669 shall not include possession by a shipping company on behalf of the
670 purchaser;

671 (82) "Registered under the agreement", registration by a seller
672 with the member states under the central registration system provided
673 in Article IV of the agreement;

674 [(11)] (83) "Research or experimentation activities" [are], the
675 development of an experimental or pilot model, plant process, formula, invention
676 or similar property, and the improvement of existing property of such

677 type. Research or experimentation activities do not include activities such as
678 ordinary testing or inspection of materials or products for quality control,
679 efficiency surveys, advertising promotions or research in connection with literary,
680 historical or similar projects;

681 [(12) "Sale" or "sales" includes installment and credit sales, and the
682 exchange of properties as well as the sale thereof for money, every closed
683 transaction constituting a sale, and means any transfer, exchange or barter,
684 conditional or otherwise, in any manner or by any means whatsoever, of tangible
685 personal property for valuable consideration and the rendering, furnishing or
686 selling for a valuable consideration any of the substances, things and services
687 herein designated and defined as taxable under the terms of sections 144.010 to
688 144.525;

689 (13)] (84) "Sale at retail" [means any transfer made by any person
690 engaged in business as defined herein of the ownership of, or title to, tangible
691 personal property to the purchaser, for use or consumption and not for resale in
692 any form as tangible personal property, for a valuable consideration; except that,
693 for the purposes of sections 144.010 to 144.525 and the tax imposed thereby: (i)
694 purchases of tangible personal property made by duly licensed physicians,
695 dentists, optometrists and veterinarians and used in the practice of their
696 professions shall be deemed to be purchases for use or consumption and not for
697 resale; and (ii) the selling of computer printouts, computer output or microfilm
698 or microfiche and computer-assisted photo compositions to a purchaser to enable
699 the purchaser to obtain for his or her own use the desired information contained
700 in such computer printouts, computer output on microfilm or microfiche and
701 computer-assisted photo compositions shall be considered as the sale of a service
702 and not as the sale of tangible personal property] **or "retail sale", any sale,**
703 **lease, or rental for any purpose other than for resale, sublease, or**
704 **subrent. Purchases of tangible personal property made by duly**
705 **licensed physicians, dentists, optometrists, and veterinarians and used**
706 **in the practice of their professions shall be deemed to be purchases for**
707 **use or consumption and not for resale.** Where necessary to conform to the
708 context of sections 144.010 to 144.525 and the tax imposed thereby, the term sale
709 at retail shall be construed to embrace:

710 (a) Sales of admission tickets, cash admissions, charges and fees to or in
711 places of amusement, entertainment and recreation, games and athletic events,
712 except amounts paid for any instructional class;

713 (b) Sales of electricity, electrical current, water and gas, natural or
714 artificial, to domestic, commercial or industrial consumers;

715 (c) Sales of [local and long distance] telecommunications [service to
716 telecommunications subscribers] **services** and [to others through equipment of
717 telecommunications subscribers for the transmission of messages and
718 conversations,] **ancillary services** and the sale, rental or leasing of all
719 equipment or services pertaining or incidental thereto;

720 (d) Sales of service for transmission of messages by telegraph companies;

721 (e) Sales or charges for all rooms, meals and drinks furnished at any
722 hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist
723 camp, tourist cabin, or other place in which rooms, meals or drinks are regularly
724 served to the public;

725 (f) Sales of tickets by every person operating a railroad, sleeping car,
726 dining car, express car, boat, airplane, and such buses and trucks as are licensed
727 by the division of motor carrier and railroad safety of the department of economic
728 development of Missouri, engaged in the transportation of persons for hire;

729 **(85) "School art supply":**

730 **(a) An item commonly used by a student in a course of study for**
731 **artwork. The term is mutually exclusive of the terms school supply,**
732 **school instructional material, and school computer supply;**

733 **(b) The following is an all-inclusive list:**

734 **a. Clay and glazes;**

735 **b. Paints, acrylic, tempora, and oil;**

736 **c. Paintbrushes for artwork;**

737 **d. Sketch and drawing pads; and**

738 **e. Watercolors;**

739 **(86) "School computer supply":**

740 **(a) An item commonly used by a student in a course of study in**
741 **which a computer is used. The term is mutually exclusive of the terms**
742 **school supply, school art supply, and school instructional material;**

743 **(b) The following is an all-inclusive list:**

744 **a. Computer storage media, diskettes, and compact disks;**

745 **b. Handheld electronic schedulers, except devices that are**
746 **cellular phones;**

747 **c. Personal digital assistants, except devices that are cellular**
748 **phones; and**

749 **d. Computer printers and printer supplies for computers, printer**
750 **paper, and printer ink;**

751 **(87) "School instructional material":**

752 **(a) Written material commonly used by a student in a course of**
753 **study as a reference and to learn the subject being taught. The term is**
754 **mutually exclusive of the terms school supply, school art supply, and**
755 **school computer supply;**

756 **(b) The following is an all-inclusive list:**

757 **a. Reference books;**

758 **b. Reference maps and globes;**

759 **c. Textbooks; and**

760 **d. Workbooks;**

761 **(88) "School supply":**

762 **(a) An item commonly used by a student in a course of**
763 **study. The term is mutually exclusive of the terms school art supply,**
764 **school instructional material, and school computer supply;**

765 **(b) The following is an all-inclusive list:**

766 **a. Binders;**

767 **b. Book bags;**

768 **c. Calculators;**

769 **d. Cellophane tape;**

770 **e. Blackboard chalk;**

771 **f. Compasses;**

772 **g. Composition books;**

773 **h. Crayons;**

774 **i. Erasers;**

775 **j. Folders, expandable, pocket, plastic, and manila;**

776 **k. Glue, paste, and paste sticks;**

777 **l. Highlighters;**

778 **m. Index cards;**

779 **n. Index card boxes;**

780 **o. Legal pads;**

781 **p. Lunch boxes;**

782 **q. Markers;**

783 **r. Notebooks;**

784 **s. Paper, loose leaf notebook paper, copy paper, graph paper,**
785 **tracing paper, manila paper, colored paper, poster board, and**

786 **construction paper;**

787 **t. Pencil boxes and other school supply boxes;**

788 **u. Pencil sharpeners;**

789 **v. Pencils;**

790 **w. Pens;**

791 **x. Protractors;**

792 **y. Rulers;**

793 **z. Scissors; and**

794 **aa. Writing tablets;**

795 **[(14)] (89) "Seller" [means], a person [selling or furnishing tangible]**
796 **making sales, leases, or rentals of personal property or [rendering services,**
797 **on the receipts from which a tax is imposed pursuant to section 144.020] service;**

798 **(90) "Selling agent", every person acting as a representative of a**
799 **principal, when such principal is not registered with the director of**
800 **revenue of the state of Missouri for the collection of the taxes imposed**
801 **under this chapter and who receives compensation by reason of the**
802 **sale of tangible personal property of the principal, if such property is**
803 **to be stored, used, or consumed in this state;**

804 **(91) "Service address":**

805 **(a) The location of the telecommunications equipment to which**
806 **a customer's call is charged and from which the call originates or**
807 **terminates, regardless of where the call is billed or paid;**

808 **(b) If the location in paragraph (a) of this subdivision is not**
809 **known, "service address" means the origination point of the signal of**
810 **the telecommunications services first identified by either the seller's**
811 **telecommunications system or in information received by the seller**
812 **from its service provider, where the system used to transport such**
813 **signals is not that of the seller;**

814 **(c) If the location in paragraphs (a) and (b) of this subdivision**
815 **are not known, the service address shall be the location of the**
816 **customer's place of primary use;**

817 **(92) "Specified digital products", electronically transferred**
818 **digital audio-visual works, digital audio works, and digital books;**

819 **(93) "Sport or recreational equipment", items designed for human**
820 **use and worn in conjunction with an athletic or recreational activity**
821 **that are not suitable for general use. Sport or recreational equipment**
822 **are mutually exclusive of clothing, clothing accessories or equipment,**

823 **and protective equipment;**

824 **(94) "State", any state of the United States, the District of**
825 **Columbia, and the Commonwealth of Puerto Rico;**

826 **(95) "Storage", any keeping or retention in this state of tangible**
827 **personal property purchased from a vendor, except property for sale**
828 **or property that is temporarily kept or retained in this state for**
829 **subsequent use outside the state;**

830 **(96) "Tangible personal property", personal property that can be**
831 **seen, weighed, measured, felt, or touched, or that is in any other**
832 **manner perceptible to the senses. Tangible personal property shall**
833 **include electricity, water, gas, steam, and prewritten computer**
834 **software. Tangible personal property shall not include specified digital**
835 **products, digital audio-visual works, digital audio works, or digital**
836 **books;**

837 **[(15) The noun "tax" means]**

838 **(97) "Tax", either the tax payable by the purchaser of a commodity or**
839 **service subject to tax, or the aggregate amount of taxes due from the vendor of**
840 **such commodities or services during the period for which he or she is required to**
841 **report his or her collections, as the context may require; [and]**

842 **(98) "Taxpayer", any person remitting the tax or who should**
843 **remit the tax levied by this chapter;**

844 **(99) "Telecommunications nonrecurring charges", an amount**
845 **billed for the installation, connection, change, or initiation of**
846 **telecommunications service received by the customer;**

847 **[(16)] (100) "Telecommunications service"[, for the purpose of this**
848 **chapter, the transmission of information by wire, radio, optical cable, coaxial**
849 **cable, electronic impulses, or other similar means. As used in this definition,**
850 **"information" means knowledge or intelligence represented by any form of writing,**
851 **signs, signals, pictures, sounds, or any other symbols. Telecommunications service**
852 **does not include the following if such services are separately stated on the**
853 **customer's bill or on records of the seller maintained in the ordinary course of**
854 **business:**

855 **(a) Access to the internet, access to interactive computer services or**
856 **electronic publishing services, except the amount paid for the telecommunications**
857 **service used to provide such access;**

858 **(b) Answering services and one-way paging services;**

859 (c) Private mobile radio services which are not two-way commercial mobile
860 radio services such as wireless telephone, personal communications services or
861 enhanced specialized mobile radio services as defined pursuant to federal law; or

862 (d) Cable or satellite television or music services];

863 (a) **The electronic transmission, conveyance, or routing of voice,**
864 **data, audio, video, or any other information or signals to a point, or**
865 **between or among points;**

866 (b) **Telecommunications service shall include such transmission,**
867 **conveyance, or routing in which computer processing applications are**
868 **used to act on the form, code, or protocol of the content for purposes**
869 **of transmission, conveyance, or routing without regard to whether such**
870 **service is referred to as voice over internet protocol services or is**
871 **classified by the Federal Communications Commission as enhanced or**
872 **value added;**

873 (c) **Telecommunications service shall include air-to-ground**
874 **radiotelephone service, mobile telecommunications service, post-paid**
875 **calling service, prepaid calling service, prepaid wireless calling service,**
876 **and private communication service;**

877 (d) **Telecommunications service shall not include:**

878 a. **Data processing and information services that allow data to**
879 **be generated, acquired, stored, processed, or retrieved and delivered**
880 **by an electronic transmission to a purchaser where such purchaser's**
881 **primary purpose for the underlying transaction is the processed data**
882 **or information;**

883 b. **Installation or maintenance of wiring or equipment on a**
884 **customer's premises;**

885 c. **Tangible personal property;**

886 d. **Advertising, including but not limited to directory advertising;**

887 e. **Billing and collection services provided to third parties;**

888 f. **Internet access service;**

889 g. **Radio and television audio and video programming services,**
890 **regardless of the medium, including the furnishing of transmission,**
891 **conveyance, and routing of such services by the programming service**
892 **provider. Radio and television audio and video programming services**
893 **shall include, but not be limited to, cable service, as defined in 47**
894 **U.S.C. Section 522(6), and audio and video programming services**
895 **delivered by commercial mobile radio service providers, as defined in**

896 47 CFR 20.3;

897 h. Ancillary services; or

898 i. Digital products delivered electronically, including, but not
899 limited to, software, music, video, reading materials, or ring tones;

900 (101) "Transportation equipment", any of the following:

901 (a) Locomotives and railcars that are utilized for the carriage of
902 persons or property in interstate commerce;

903 (b) Trucks and truck-tractors with a gross vehicle weight rating
904 (GVWR) of ten thousand one pounds or greater, trailers, semi-trailers,
905 or passenger buses that are:

906 a. Registered through the International Registration Plan; and

907 b. Operated under authority of a carrier authorized and
908 certificated by the United States Department of Transportation or
909 another federal authority to engage in the carriage of persons or
910 property in interstate commerce;

911 (c) Aircraft that are operated by air carriers authorized and
912 certificated by the United States Department of Transportation or
913 another federal or a foreign authority to engage in the carriage of
914 persons or property in interstate or foreign commerce;

915 (d) Containers designed for use on and component parts attached
916 or secured on the items set forth in paragraphs (a) to (c) of this
917 subdivision;

918 (102) "Tobacco", cigarettes, cigars, chewing or pipe tobacco, or
919 any other item that contains tobacco;

920 (103) "Use", the exercise of any right or power over tangible
921 personal property incident to the ownership or control of that
922 property, except that it does not include the temporary storage of
923 property in this state for subsequent use outside the state, or the sale
924 of the property in the regular course of business;

925 (104) "Use-based exemption", an exemption based on a specified
926 use of the product by the purchaser;

927 (105) "Vendor", every person engaged in making sales of tangible
928 personal property by mail order, by advertising, by agent or peddling
929 tangible personal property, soliciting or taking orders for sales of
930 tangible personal property, for storage, use or consumption in this
931 state, all salesmen, solicitors, hawkers, representatives, consignees,
932 peddlers or canvassers, as agents of the dealers, distributors,

933 consignors, supervisors, principals or employers under whom they
934 operate or from whom they obtain the tangible personal property sold
935 by them, and every person who maintains a place of business in this
936 state, maintains a stock of goods in this state, or engages in business
937 activities within this state and every person who engages in this state
938 in the business of acting as a selling agent for persons not otherwise
939 vendors as defined in this subdivision. Irrespective of whether they are
940 making sales on their own behalf or on behalf of the dealers,
941 distributors, consignors, supervisors, principals, or employers, they
942 must be regarded as vendors and the dealers, distributors, consignors,
943 supervisors, principals, or employers must be regarded as vendors for
944 the purposes of sections 144.600 to 144.745.

945 2. For purposes of the taxes imposed under sections 144.010 to 144.525,
946 and any other provisions of law pertaining to sales or use taxes which incorporate
947 the provisions of sections 144.010 to 144.525 by reference, the term manufactured
948 homes shall have the same meaning given it in section 700.010.

949 [3. Sections 144.010 to 144.525 may be known and quoted as the "Sales
950 Tax Law".]

144.014. 1. Notwithstanding other provisions of law to the contrary,
2 beginning October 1, 1997, the tax levied and imposed pursuant to sections
3 144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food,
4 **food sold through vending machines, and food ingredients** shall be at the
5 rate of one percent. The revenue derived from the one percent rate pursuant to
6 this section shall be deposited by the state treasurer in the school district trust
7 fund and shall be distributed as provided in section 144.701.

8 2. [For the purposes of this section, the term "food" shall include only
9 those products and types of food for which food stamps may be redeemed
10 pursuant to the provisions of the Federal Food Stamp Program as contained in
11 7 U.S.C. Section 2012, as that section now reads or as it may be amended
12 hereafter, and shall include food dispensed by or through vending machines. For
13 the purpose of this section,] Except for **food sold through** vending [machine
14 sales, the term "food"] **machines, subsection 1 of this section** shall not
15 [include] **apply to** food or drink sold by any establishment where the gross
16 receipts derived from the sale of food prepared by such establishment for
17 immediate consumption on or off the premises of the establishment constitutes
18 more than eighty percent of the total gross receipts of that establishment,

19 regardless of whether such prepared food is consumed on the premises of that
20 establishment, including, but not limited to, sales of food by any restaurant, fast
21 food restaurant, delicatessen, eating house, or café.

144.020. 1. A tax is hereby levied and imposed for the privilege of titling
2 new and used motor vehicles, trailers, boats, and outboard motors purchased or
3 acquired for use on the highways or waters of this state which are required to be
4 titled under the laws of the state of Missouri and, except as provided in
5 subdivision (9) of this subsection, upon all sellers for the privilege of engaging in
6 the business of selling tangible personal property or rendering taxable service at
7 retail in this state. The rate of tax shall be as follows:

8 (1) Upon every retail sale in this state of tangible personal property,
9 excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and
10 outboard motors required to be titled under the laws of the state of Missouri and
11 subject to tax under subdivision (9) of this subsection, a tax equivalent to four
12 percent of the purchase price paid or charged, or in case such sale involves the
13 exchange of property, a tax equivalent to four percent of the consideration paid
14 or charged, including the fair market value of the property exchanged at the time
15 and place of the exchange, except as otherwise provided in section 144.025;

16 (2) A tax equivalent to four percent of the amount paid for admission and
17 seating accommodations, or fees paid to, or in any place of amusement,
18 entertainment or recreation, games and athletic events, except amounts paid for
19 any instructional class;

20 (3) A tax equivalent to four percent of the basic rate paid or charged on
21 all sales of electricity or electrical current, water and gas, natural or artificial, to
22 domestic, commercial or industrial consumers;

23 (4) A tax equivalent to four percent on the basic rate paid or charged on
24 all sales of [local and long distance] telecommunications service to
25 telecommunications subscribers and to others through equipment of
26 telecommunications subscribers for the transmission of messages and
27 conversations, **upon ancillary services** and upon the sale, rental or leasing of
28 all equipment or services pertaining or incidental thereto; except that, the
29 payment made by telecommunications subscribers or others, pursuant to section
30 144.060, and any amounts paid for access to the internet or interactive computer
31 services shall not be considered as amounts paid for telecommunications services;

32 (5) A tax equivalent to four percent of the basic rate paid or charged for
33 all sales of services for transmission of messages of telegraph companies;

34 (6) A tax equivalent to four percent on the amount of sales or charges for
35 all rooms, meals and drinks furnished at any hotel, motel, tavern, inn,
36 restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp or
37 other place in which rooms, meals or drinks are regularly served to the
38 public. The tax imposed under this subdivision shall not apply to any automatic
39 mandatory gratuity for a large group imposed by a restaurant when such gratuity
40 is reported as employee tip income and the restaurant withholds income tax
41 under section 143.191 on such gratuity;

42 (7) A tax equivalent to four percent of the amount paid or charged for
43 intrastate tickets by every person operating a railroad, sleeping car, dining car,
44 express car, boat, airplane and such buses and trucks as are licensed by the
45 division of motor carrier and railroad safety of the department of economic
46 development of Missouri, engaged in the transportation of persons for hire;

47 (8) A tax equivalent to four percent of the amount paid or charged for
48 rental or lease of tangible personal property, provided that if the lessor or renter
49 of any tangible personal property had previously purchased the property under
50 the conditions of sale at retail or leased or rented the property and the tax was
51 paid at the time of purchase, lease or rental, the lessor, sublessor, renter or
52 subrenter shall not apply or collect the tax on the subsequent lease, sublease,
53 rental or subrental receipts from that property. The purchase, rental or lease of
54 motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard
55 motors shall be taxed and the tax paid as provided in this section and section
56 144.070. In no event shall the rental or lease of boats and outboard motors be
57 considered a sale, charge, or fee to, for or in places of amusement, entertainment
58 or recreation nor shall any such rental or lease be subject to any tax imposed to,
59 for, or in such places of amusement, entertainment or recreation. Rental and
60 leased boats or outboard motors shall be taxed under the provisions of the sales
61 tax laws as provided under such laws for motor vehicles and trailers. Tangible
62 personal property which is exempt from the sales or use tax under section
63 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the
64 lease or rental thereof;

65 (9) A tax equivalent to four percent of the purchase price, as defined in
66 section 144.070, of new and used motor vehicles, trailers, boats, and outboard
67 motors purchased or acquired for use on the highways or waters of this state
68 which are required to be registered under the laws of the state of Missouri. This
69 tax is imposed on the person titling such property, and shall be paid according

70 to the procedures in section 144.440.

71 2. All tickets sold which are sold under the provisions of sections 144.010
72 to 144.525 which are subject to the sales tax shall have printed, stamped or
73 otherwise endorsed thereon, the words "This ticket is subject to a sales tax."

144.022. 1. In the case of a bundled transaction that includes any
2 of the following: telecommunication service, ancillary service, internet
3 access, or audio or video programming service:

4 (1) If the price is attributable to products that are taxable and
5 products that are nontaxable, the portion of the price attributable to
6 the nontaxable products may be subject to tax unless the provider can
7 identify by reasonable and verifiable standards such portion from its
8 books and records that are kept in the regular course of business for
9 other purposes, including, but not limited to, nontax purposes;

10 (2) If the price is attributable to products that are subject to tax
11 at different tax rates, the total price shall be treated as attributable to
12 the products subject to tax at the highest tax rate unless the provider
13 can identify by reasonable and verifiable standards the portion of the
14 price attributable to the products subject to tax at the lower rate from
15 its books and records that are kept in the regular course of business for
16 other purposes, including, but not limited to, nontax purposes;

17 (3) The provisions of this section shall apply unless otherwise
18 provided by federal law.

19 2. In the case of a transaction that includes an optional computer
20 software maintenance contract for prewritten computer software, the
21 following provisions apply:

22 (1) If an optional computer software maintenance contract only
23 obligates the vendor to provide upgrades and updates, it shall be
24 characterized as a sale of prewritten computer software;

25 (2) If an optional computer software maintenance contract only
26 obligates the vendor to provide support services, it shall be
27 characterized as a sale of services and not a sale of tangible personal
28 property;

29 (3) If an optional computer software maintenance contract is a
30 bundled transaction in which both taxable and nontaxable or exempt
31 products that are not separately itemized on the invoice or similar
32 billing document, the purchase price under the contract shall be
33 taxable.

144.030. 1. There is hereby specifically exempted from the provisions of
2 sections 144.010 to 144.525 and from the computation of the tax levied, assessed
3 or payable pursuant to sections 144.010 to 144.525 such retail sales as may be
4 made in commerce between this state and any other state of the United States,
5 or between this state and any foreign country, and any retail sale which the state
6 of Missouri is prohibited from taxing pursuant to the Constitution or laws of the
7 United States of America, and such retail sales of tangible personal property
8 which the general assembly of the state of Missouri is prohibited from taxing or
9 further taxing by the constitution of this state.

10 2. There are also specifically exempted from the provisions of the local
11 sales tax law as defined in section 32.085, section 238.235, and sections 144.010
12 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied,
13 assessed or payable pursuant to the local sales tax law as defined in section
14 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

15 (1) Motor fuel or special fuel subject to an excise tax of this state, unless
16 all or part of such excise tax is refunded pursuant to section 142.824; or upon the
17 sale at retail of fuel to be consumed in manufacturing or creating gas, power,
18 steam, electrical current or in furnishing water to be sold ultimately at retail; or
19 feed for livestock or poultry; or grain to be converted into foodstuffs which are to
20 be sold ultimately in processed form at retail; or seed, limestone or fertilizer
21 which is to be used for seeding, liming or fertilizing crops which when harvested
22 will be sold at retail or will be fed to livestock or poultry to be sold ultimately in
23 processed form at retail; economic poisons registered pursuant to the provisions
24 of the Missouri pesticide registration law (sections 281.220 to 281.310) which are
25 to be used in connection with the growth or production of crops, fruit trees or
26 orchards applied before, during, or after planting, the crop of which when
27 harvested will be sold at retail or will be converted into foodstuffs which are to
28 be sold ultimately in processed form at retail;

29 (2) Materials, manufactured goods, machinery and parts which when used
30 in manufacturing, processing, compounding, mining, producing or fabricating
31 become a component part or ingredient of the new personal property resulting
32 from such manufacturing, processing, compounding, mining, producing or
33 fabricating and which new personal property is intended to be sold ultimately for
34 final use or consumption; and materials, including without limitation, gases and
35 manufactured goods, including without limitation slagging materials and
36 firebrick, which are ultimately consumed in the manufacturing process by

37 blending, reacting or interacting with or by becoming, in whole or in part,
38 component parts or ingredients of steel products intended to be sold ultimately
39 for final use or consumption;

40 (3) Materials, replacement parts and equipment purchased for use directly
41 upon, and for the repair and maintenance or manufacture of, motor vehicles,
42 watercraft, railroad rolling stock or aircraft engaged as common carriers of
43 persons or property;

44 (4) Motor vehicles registered in excess of fifty-four thousand pounds, and
45 the trailers pulled by such motor vehicles, that are actually used in the normal
46 course of business to haul property on the public highways of the state, and that
47 are capable of hauling loads commensurate with the motor vehicle's registered
48 weight; and the materials, replacement parts, and equipment purchased for use
49 directly upon, and for the repair and maintenance or manufacture of such
50 vehicles. For purposes of this subdivision, motor vehicle and public highway shall
51 have the meaning as ascribed in section 390.020;

52 (5) Replacement machinery, equipment, and parts and the materials and
53 supplies solely required for the installation or construction of such replacement
54 machinery, equipment, and parts, used directly in manufacturing, mining,
55 fabricating or producing a product which is intended to be sold ultimately for
56 final use or consumption; and machinery and equipment, and the materials and
57 supplies required solely for the operation, installation or construction of such
58 machinery and equipment, purchased and used to establish new, or to replace or
59 expand existing, material recovery processing plants in this state. For the
60 purposes of this subdivision, a "material recovery processing plant" means a
61 facility that has as its primary purpose the recovery of materials into a usable
62 product or a different form which is used in producing a new product and shall
63 include a facility or equipment which are used exclusively for the collection of
64 recovered materials for delivery to a material recovery processing plant but shall
65 not include motor vehicles used on highways. For purposes of this section, the
66 terms motor vehicle and highway shall have the same meaning pursuant to
67 section 301.010. Material recovery is not the reuse of materials within a
68 manufacturing process or the use of a product previously recovered. The material
69 recovery processing plant shall qualify under the provisions of this section
70 regardless of ownership of the material being recovered;

71 (6) Machinery and equipment, and parts and the materials and supplies
72 solely required for the installation or construction of such machinery and

73 equipment, purchased and used to establish new or to expand existing
74 manufacturing, mining or fabricating plants in the state if such machinery and
75 equipment is used directly in manufacturing, mining or fabricating a product
76 which is intended to be sold ultimately for final use or consumption;

77 (7) Tangible personal property which is used exclusively in the
78 manufacturing, processing, modification or assembling of products sold to the
79 United States government or to any agency of the United States government;

80 (8) Animals or poultry used for breeding or feeding purposes, or captive
81 wildlife;

82 (9) Newsprint, ink, computers, photosensitive paper and film, toner,
83 printing plates and other machinery, equipment, replacement parts and supplies
84 used in producing newspapers published for dissemination of news to the general
85 public;

86 (10) The rentals of films, records or any type of sound or picture
87 transcriptions for public commercial display;

88 (11) Pumping machinery and equipment used to propel products delivered
89 by pipelines engaged as common carriers;

90 (12) Railroad rolling stock for use in transporting persons or property in
91 interstate commerce and motor vehicles licensed for a gross weight of twenty-four
92 thousand pounds or more or trailers used by common carriers, as defined in
93 section 390.020, in the transportation of persons or property;

94 (13) Electrical energy used in the actual primary manufacture, processing,
95 compounding, mining or producing of a product, or electrical energy used in the
96 actual secondary processing or fabricating of the product, or a material recovery
97 processing plant as defined in subdivision (5) of this subsection, in facilities
98 owned or leased by the taxpayer, if the total cost of electrical energy so used
99 exceeds ten percent of the total cost of production, either primary or secondary,
100 exclusive of the cost of electrical energy so used or if the raw materials used in
101 such processing contain at least twenty-five percent recovered materials as
102 defined in section 260.200. There shall be a rebuttable presumption that the raw
103 materials used in the primary manufacture of automobiles contain at least
104 twenty-five percent recovered materials. For purposes of this subdivision,
105 "processing" means any mode of treatment, act or series of acts performed upon
106 materials to transform and reduce them to a different state or thing, including
107 treatment necessary to maintain or preserve such processing by the producer at
108 the production facility;

109 (14) Anodes which are used or consumed in manufacturing, processing,
110 compounding, mining, producing or fabricating and which have a useful life of
111 less than one year;

112 (15) Machinery, equipment, appliances and devices purchased or leased
113 and used solely for the purpose of preventing, abating or monitoring air pollution,
114 and materials and supplies solely required for the installation, construction or
115 reconstruction of such machinery, equipment, appliances and devices;

116 (16) Machinery, equipment, appliances and devices purchased or leased
117 and used solely for the purpose of preventing, abating or monitoring water
118 pollution, and materials and supplies solely required for the installation,
119 construction or reconstruction of such machinery, equipment, appliances and
120 devices;

121 (17) Tangible personal property purchased by a rural water district;

122 (18) All amounts paid or charged for admission or participation or other
123 fees paid by or other charges to individuals in or for any place of amusement,
124 entertainment or recreation, games or athletic events, including museums, fairs,
125 zoos and planetariums, owned or operated by a municipality or other political
126 subdivision where all the proceeds derived therefrom benefit the municipality or
127 other political subdivision and do not inure to any private person, firm, or
128 corporation, provided, however, that a municipality or other political subdivision
129 may enter into revenue-sharing agreements with private persons, firms, or
130 corporations providing goods or services, including management services, in or for
131 the place of amusement, entertainment or recreation, games or athletic events,
132 and provided further that nothing in this subdivision shall exempt from tax any
133 amounts retained by any private person, firm, or corporation under such
134 revenue-sharing agreement;

135 (19) All sales of [insulin, and all sales, rentals, repairs, and parts of
136 durable medical equipment, prosthetic devices, and orthopedic devices as defined
137 on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of
138 the Social Security Act of 1965, including the items specified in Section
139 1862(a)(12) of that act, and also specifically including hearing aids and hearing
140 aid supplies and all sales of drugs which may be legally dispensed by a licensed
141 pharmacist only upon a lawful prescription of a practitioner licensed to
142 administer those items, including samples and materials used to manufacture
143 samples which may be dispensed by a practitioner authorized to dispense such
144 samples and all sales or rental of medical oxygen, home respiratory equipment

145 and accessories including parts, and hospital beds and accessories and
146 ambulatory aids including parts, and all sales or rental of manual and powered
147 wheelchairs including parts, and stairway lifts, Braille writers, electronic Braille
148 equipment and, if purchased or rented by or on behalf of a person with one or
149 more physical or mental disabilities to enable them to function more
150 independently, all sales or rental of scooters including parts, and reading
151 machines, electronic print enlargers and magnifiers, electronic alternative and
152 augmentative communication devices, and items used solely to modify motor
153 vehicles to permit the use of such motor vehicles by individuals with disabilities
154 or sales of] over-the-counter [or nonprescription] drugs to individuals with
155 disabilities, **and all sales of drugs, including prescriptions, durable**
156 **medical equipment, prosthetic devices, mobility enhancing equipment,**
157 **kidney dialysis equipment, and enteral feeding systems,** and drugs
158 required by the Food and Drug Administration to meet the over-the-counter drug
159 product labeling requirements in 21 CFR 201.66, or its successor, as prescribed
160 by a health care practitioner licensed to prescribe;

161 (20) All sales made by or to religious and charitable organizations and
162 institutions in their religious, charitable or educational functions and activities
163 and all sales made by or to all elementary and secondary schools operated at
164 public expense in their educational functions and activities;

165 (21) All sales of aircraft to common carriers for storage or for use in
166 interstate commerce and all sales made by or to not-for-profit civic, social, service
167 or fraternal organizations, including fraternal organizations which have been
168 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the
169 1986 Internal Revenue Code, as amended, in their civic or charitable functions
170 and activities and all sales made to eleemosynary and penal institutions and
171 industries of the state, and all sales made to any private not-for-profit institution
172 of higher education not otherwise excluded pursuant to subdivision (20) of this
173 subsection or any institution of higher education supported by public funds, and
174 all sales made to a state relief agency in the exercise of relief functions and
175 activities;

176 (22) All ticket sales made by benevolent, scientific and educational
177 associations which are formed to foster, encourage, and promote progress and
178 improvement in the science of agriculture and in the raising and breeding of
179 animals, and by nonprofit summer theater organizations if such organizations are
180 exempt from federal tax pursuant to the provisions of the Internal Revenue Code

181 and all admission charges and entry fees to the Missouri state fair or any fair
182 conducted by a county agricultural and mechanical society organized and
183 operated pursuant to sections 262.290 to 262.530;

184 (23) All sales made to any private not-for-profit elementary or secondary
185 school, all sales of feed additives, medications or vaccines administered to
186 livestock or poultry in the production of food or fiber, all sales of pesticides used
187 in the production of crops, livestock or poultry for food or fiber, all sales of
188 bedding used in the production of livestock or poultry for food or fiber, all sales
189 of propane or natural gas, electricity or diesel fuel used exclusively for drying
190 agricultural crops, natural gas used in the primary manufacture or processing of
191 fuel ethanol as defined in section 142.028, natural gas, propane, and electricity
192 used by an eligible new generation cooperative or an eligible new generation
193 processing entity as defined in section 348.432, and all sales of farm machinery
194 and equipment, other than airplanes, motor vehicles and trailers, and any freight
195 charges on any exempt item. As used in this subdivision, the term "feed
196 additives" means tangible personal property which, when mixed with feed for
197 livestock or poultry, is to be used in the feeding of livestock or poultry. As used
198 in this subdivision, the term "pesticides" includes adjuvants such as crop oils,
199 surfactants, wetting agents and other assorted pesticide carriers used to improve
200 or enhance the effect of a pesticide and the foam used to mark the application of
201 pesticides and herbicides for the production of crops, livestock or poultry. As
202 used in this subdivision, the term "farm machinery and equipment" means new
203 or used farm tractors and such other new or used farm machinery and equipment
204 and repair or replacement parts thereon and any accessories for and upgrades to
205 such farm machinery and equipment, rotary mowers used exclusively for
206 agricultural purposes, and supplies and lubricants used exclusively, solely, and
207 directly for producing crops, raising and feeding livestock, fish, poultry,
208 pheasants, chukar, quail, or for producing milk for ultimate sale at retail,
209 including field drain tile, and one-half of each purchaser's purchase of diesel fuel
210 therefor which is:

211 (a) Used exclusively for agricultural purposes;

212 (b) Used on land owned or leased for the purpose of producing farm
213 products; and

214 (c) Used directly in producing farm products to be sold ultimately in
215 processed form or otherwise at retail or in producing farm products to be fed to
216 livestock or poultry to be sold ultimately in processed form at retail;

217 (24) Except as otherwise provided in section 144.032, all sales of metered
218 water service, electricity, [electrical current, natural, artificial or propane gas,
219 wood, coal or home heating oil] **piped natural or artificial gas, or other**
220 **fuels delivered by the seller** for domestic use and in any city not within a
221 county, all sales of metered or unmetered water service for domestic use:

222 (a) "Domestic use" means that portion of metered water service,
223 electricity, [electrical current, natural, artificial or propane gas, wood, coal or
224 home heating oil,] **piped natural or artificial gas, or other fuels delivered**
225 **by the seller** and in any city not within a county, metered or unmetered water
226 service, which an individual occupant of a residential premises uses for
227 nonbusiness, noncommercial or nonindustrial purposes. Utility service through
228 a single or master meter for residential apartments or condominiums, including
229 service for common areas and facilities and vacant units, shall be deemed to be
230 for domestic use. Each seller shall establish and maintain a system whereby
231 individual purchases are determined as exempt or nonexempt;

232 (b) Regulated utility sellers shall determine whether individual purchases
233 are exempt or nonexempt based upon the seller's utility service rate
234 classifications as contained in tariffs on file with and approved by the Missouri
235 public service commission. Sales and purchases made pursuant to the rate
236 classification "residential" and sales to and purchases made by or on behalf of the
237 occupants of residential apartments or condominiums through a single or master
238 meter, including service for common areas and facilities and vacant units, shall
239 be considered as sales made for domestic use and such sales shall be exempt from
240 sales tax. Sellers shall charge sales tax upon the entire amount of purchases
241 classified as nondomestic use. The seller's utility service rate classification and
242 the provision of service thereunder shall be conclusive as to whether or not the
243 utility must charge sales tax;

244 (c) Each person making domestic use purchases of [services or property]
245 **electricity, piped natural or artificial gas, or other fuels delivered by**
246 **the seller** and who uses any portion of the services or property so purchased for
247 a nondomestic use shall, by the fifteenth day of the fourth month following the
248 year of purchase, and without assessment, notice or demand, file a return and
249 pay sales tax on that portion of nondomestic purchases. Each person making
250 nondomestic purchases of [services or property] **electricity, piped natural or**
251 **artificial gas, or other fuels delivered by the seller** and who uses any
252 portion of the [services or property] **electricity, piped natural or artificial**

253 **gas, or other fuels delivered by the seller** so purchased for domestic use,
254 and each person making domestic purchases on behalf of occupants of residential
255 apartments or condominiums through a single or master meter, including service
256 for common areas and facilities and vacant units, under a nonresidential utility
257 service rate classification may, between the first day of the first month and the
258 fifteenth day of the fourth month following the year of purchase, apply for credit
259 or refund to the director of revenue and the director shall give credit or make
260 refund for taxes paid on the domestic use portion of the purchase. The person
261 making such purchases on behalf of occupants of residential apartments or
262 condominiums shall have standing to apply to the director of revenue for such
263 credit or refund;

264 (25) All sales of handicraft items made by the seller or the seller's spouse
265 if the seller or the seller's spouse is at least sixty-five years of age, and if the total
266 gross proceeds from such sales do not constitute a majority of the annual gross
267 income of the seller;

268 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041,
269 [4061,] 4071, 4081, [4091,] 4161, 4181, 4251, 4261 and 4271 of Title 26, United
270 States Code. The director of revenue shall promulgate rules pursuant to chapter
271 536 to eliminate all state and local sales taxes on such excise taxes;

272 (27) Sales of fuel consumed or used in the operation of ships, barges, or
273 waterborne vessels which are used primarily in or for the transportation of
274 property or cargo, or the conveyance of persons for hire, on navigable rivers
275 bordering on or located in part in this state, if such fuel is delivered by the seller
276 to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such
277 river;

278 (28) All sales made to an interstate compact agency created pursuant to
279 sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the
280 functions and activities of such agency as provided pursuant to the compact;

281 (29) Computers, computer software and computer security systems
282 purchased for use by architectural or engineering firms headquartered in this
283 state. For the purposes of this subdivision, "headquartered in this state" means
284 the office for the administrative management of at least four integrated facilities
285 operated by the taxpayer is located in the state of Missouri;

286 (30) All livestock sales when either the seller is engaged in the growing,
287 producing or feeding of such livestock, or the seller is engaged in the business of
288 buying and selling, bartering or leasing of such livestock;

289 (31) All sales of barges which are to be used primarily in the
290 transportation of property or cargo on interstate waterways;

291 (32) Electrical energy or gas, whether natural, artificial or propane, water,
292 or other utilities which are ultimately consumed in connection with the
293 manufacturing of cellular glass products or in any material recovery processing
294 plant as defined in subdivision (5) of this subsection;

295 (33) Notwithstanding other provisions of law to the contrary, all sales of
296 pesticides or herbicides used in the production of crops, aquaculture, livestock or
297 poultry;

298 (34) Tangible personal property and utilities purchased for use or
299 consumption directly or exclusively in the research and development of
300 agricultural/biotechnology and plant genomics products and prescription
301 pharmaceuticals consumed by humans or animals;

302 (35) All sales of grain bins for storage of grain for resale;

303 (36) All sales of feed which are developed for and used in the feeding of
304 pets owned by a commercial breeder when such sales are made to a commercial
305 breeder, as defined in section 273.325, and licensed pursuant to sections 273.325
306 to 273.357;

307 (37) All purchases by a contractor on behalf of an entity located in another
308 state, provided that the entity is authorized to issue a certificate of exemption for
309 purchases to a contractor under the provisions of that state's laws. For purposes
310 of this subdivision, the term "certificate of exemption" shall mean any document
311 evidencing that the entity is exempt from sales and use taxes on purchases
312 pursuant to the laws of the state in which the entity is located. Any contractor
313 making purchases on behalf of such entity shall maintain a copy of the entity's
314 exemption certificate as evidence of the exemption. If the exemption certificate
315 issued by the exempt entity to the contractor is later determined by the director
316 of revenue to be invalid for any reason [and the contractor has accepted the
317 certificate in good faith], neither the contractor or the exempt entity shall be
318 liable for the payment of any taxes, interest and penalty due as the result of use
319 of the invalid exemption certificate **unless the contractor fraudulently**
320 **accepted the certificate**. Materials shall be exempt from all state and local
321 sales and use taxes when purchased by a contractor for the purpose of fabricating
322 tangible personal property which is used in fulfilling a contract for the purpose
323 of constructing, repairing or remodeling facilities for the following:

324 (a) An exempt entity located in this state, if the entity is one of those

325 entities able to issue project exemption certificates in accordance with the
326 provisions of section 144.062; or

327 (b) An exempt entity located outside the state if the exempt entity is
328 authorized to issue an exemption certificate to contractors in accordance with the
329 provisions of that state's law and the applicable provisions of this section;

330 (38) All sales or other transfers of tangible personal property to a lessor
331 who leases the property under a lease of one year or longer executed or in effect
332 at the time of the sale or other transfer to an interstate compact agency created
333 pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

334 (39) Sales of tickets to any collegiate athletic championship event that is
335 held in a facility owned or operated by a governmental authority or commission,
336 a quasi-governmental agency, a state university or college or by the state or any
337 political subdivision thereof, including a municipality, and that is played on a
338 neutral site and may reasonably be played at a site located outside the state of
339 Missouri. For purposes of this subdivision, "neutral site" means any site that is
340 not located on the campus of a conference member institution participating in the
341 event;

342 (40) All purchases by a sports complex authority created under section
343 64.920, and all sales of utilities by such authority at the authority's cost that are
344 consumed in connection with the operation of a sports complex leased to a
345 professional sports team;

346 (41) All materials, replacement parts, and equipment purchased for use
347 directly upon, and for the modification, replacement, repair, and maintenance of
348 aircraft, aircraft power plants, and aircraft accessories;

349 (42) Sales of sporting clays, wobble, skeet, and trap targets to any
350 shooting range or similar places of business for use in the normal course of
351 business and money received by a shooting range or similar places of business
352 from patrons and held by a shooting range or similar place of business for
353 redistribution to patrons at the conclusion of a shooting event;

354 (43) All sales of motor fuel, as defined in section 142.800, used in any
355 watercraft, as defined in section 306.010;

356 (44) Any new or used aircraft sold or delivered in this state to a person
357 who is not a resident of this state or a corporation that is not incorporated in this
358 state, and such aircraft is not to be based in this state and shall not remain in
359 this state more than ten business days subsequent to the last to occur of:

360 (a) The transfer of title to the aircraft to a person who is not a resident

361 of this state or a corporation that is not incorporated in this state; or

362 (b) The date of the return to service of the aircraft in accordance with 14
363 CFR 91.407 for any maintenance, preventive maintenance, rebuilding, alterations,
364 repairs, or installations that are completed contemporaneously with the transfer
365 of title to the aircraft to a person who is not a resident of this state or a
366 corporation that is not incorporated in this state;

367 (45) All internet access or the use of internet access regardless of whether
368 the tax is imposed on a provider of internet access or a buyer of internet
369 access. For purposes of this subdivision, the following terms shall mean:

370 (a) "Direct costs", costs incurred by a governmental authority solely
371 because of an internet service provider's use of the public right-of-way. The term
372 shall not include costs that the governmental authority would have incurred if the
373 internet service provider did not make such use of the public right-of-way. Direct
374 costs shall be determined in a manner consistent with generally accepted
375 accounting principles;

376 (b) "Internet", computer and telecommunications facilities, including
377 equipment and operating software, that comprises the interconnected worldwide
378 network that employ the transmission control protocol or internet protocol, or any
379 predecessor or successor protocols to that protocol, to communicate information
380 of all kinds by wire or radio;

381 (c) "Internet access", a service that enables users to connect to the
382 internet to access content, information, or other services without regard to
383 whether the service is referred to as telecommunications, communications,
384 transmission, or similar services, and without regard to whether a provider of the
385 service is subject to regulation by the Federal Communications Commission as a
386 common carrier under 47 U.S.C. Section 201, et seq. For purposes of this
387 subdivision, internet access also includes: the purchase, use, or sale of
388 communications services, including telecommunications services as defined in
389 section 144.010, to the extent the communications services are purchased, used,
390 or sold to provide the service described in this subdivision or to otherwise enable
391 users to access content, information, or other services offered over the internet;
392 services that are incidental to the provision of a service described in this
393 subdivision, when furnished to users as part of such service, including a home
394 page, electronic mail, and instant messaging, including voice-capable and
395 video-capable electronic mail and instant messaging, video clips, and personal
396 electronic storage capacity; a home page electronic mail and instant messaging,

397 including voice-capable and video-capable electronic mail and instant messaging,
398 video clips, and personal electronic storage capacity that are provided
399 independently or that are not packed with internet access. As used in this
400 subdivision, internet access does not include voice, audio, and video programming
401 or other products and services, except services described in this paragraph or this
402 subdivision, that use internet protocol or any successor protocol and for which
403 there is a charge, regardless of whether the charge is separately stated or
404 aggregated with the charge for services described in this paragraph or this
405 subdivision;

406 (d) "Tax", any charge imposed by the state or a political subdivision of the
407 state for the purpose of generating revenues for governmental purposes and that
408 is not a fee imposed for a specific privilege, service, or benefit conferred, except
409 as described as otherwise under this subdivision, or any obligation imposed on a
410 seller to collect and to remit to the state or a political subdivision of the state any
411 gross retail tax, sales tax, or use tax imposed on a buyer by such a governmental
412 entity. The term tax shall not include any franchise fee or similar fee imposed
413 or authorized under section 67.1830 or 67.2689; Section 622 or 653 of the
414 Communications Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573;
415 or any other fee related to obligations of telecommunications carriers under the
416 Communications Act of 1934, 47 U.S.C. Section 151, et seq., except to the extent
417 that:

418 a. The fee is not imposed for the purpose of recovering direct costs
419 incurred by the franchising or other governmental authority from providing the
420 specific privilege, service, or benefit conferred to the payer of the fee; or

421 b. The fee is imposed for the use of a public right-of-way based on a
422 percentage of the service revenue, and the fee exceeds the incremental direct
423 costs incurred by the governmental authority associated with the provision of that
424 right-of-way to the provider of internet access service.

425 Nothing in this subdivision shall be interpreted as an exemption from taxes due
426 on goods or services that were subject to tax on January 1, 2016.

427 3. Any ruling, agreement, or contract, whether written or oral, express or
428 implied, between a person and this state's executive branch, or any other state
429 agency or department, stating, agreeing, or ruling that such person is not
430 required to collect sales and use tax in this state despite the presence of a
431 warehouse, distribution center, or fulfillment center in this state that is owned
432 or operated by the person or an affiliated person shall be null and void unless it

433 is specifically approved by a majority vote of each of the houses of the general
434 assembly. For purposes of this subsection, an "affiliated person" means any
435 person that is a member of the same controlled group of corporations as defined
436 in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the
437 vendor or any other entity that, notwithstanding its form of organization, bears
438 the same ownership relationship to the vendor as a corporation that is a member
439 of the same controlled group of corporations as defined in Section 1563(a) of the
440 Internal Revenue Code, as amended.

144.032. The provisions of section 144.030 to the contrary
2 notwithstanding, any city imposing a sales tax under the provisions of sections
3 94.500 to 94.570, or any county imposing a sales tax under the provisions of
4 sections 66.600 to 66.635, or any county imposing a sales tax under the provisions
5 of sections 67.500 to 67.729, or any hospital district imposing a sales tax under
6 the provisions of section 205.205 may by ordinance impose a sales tax upon all
7 sales of [metered water services,] electricity, [electrical current and natural,
8 artificial or propane gas, wood, coal, or home heating oil] **pipd natural or**
9 **artificial gas, or other fuels delivered by the seller** for domestic use
10 only. Such tax shall be administered by the department of revenue and assessed
11 by the retailer in the same manner as any other city, county, or hospital district
12 sales tax. Domestic use shall be determined in the same manner as the
13 determination of domestic use for exemption of such sales from the state sales tax
14 under the provisions of section 144.030.

144.049. 1. [For purposes of this section, the following terms mean:

2 (1) "Clothing", any article of wearing apparel, including footwear, intended
3 to be worn on or about the human body. The term shall include but not be
4 limited to cloth and other material used to make school uniforms or other school
5 clothing. Items normally sold in pairs shall not be separated to qualify for the
6 exemption. The term shall not include watches, watchbands, jewelry, handbags,
7 handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and

8 (2) "Personal computers", a laptop, desktop, or tower computer system
9 which consists of a central processing unit, random access memory, a storage
10 drive, a display monitor, and a keyboard and devices designed for use in
11 conjunction with a personal computer, such as a disk drive, memory module,
12 compact disk drive, daughterboard, digitizer, microphone, modem, motherboard,
13 mouse, multimedia speaker, printer, scanner, single-user hardware, single-user
14 operating system, soundcard, or video card;

15 (3) "School supplies", any item normally used by students in a standard
16 classroom for educational purposes, including but not limited to textbooks,
17 notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags,
18 backpacks, handheld calculators, chalk, maps, and globes. The term shall not
19 include watches, radios, CD players, headphones, sporting equipment, portable
20 or desktop telephones, copiers or other office equipment, furniture, or
21 fixtures. School supplies shall also include computer software having a taxable
22 value of three hundred fifty dollars or less and any graphing calculator having a
23 taxable value of one hundred fifty dollars or less.

24 2.] In each year beginning on or after January 1, 2005, there is hereby
25 specifically exempted from state **and local** sales tax law all retail sales of any
26 article of clothing having a taxable value of one hundred dollars or less[.]; all
27 retail sales of school supplies [not to exceed fifty dollars per purchase,]; **school**
28 **art supplies, and school instructional materials;** all **prewritten** all
29 computer software with a taxable value of three hundred fifty dollars or less[, all
30 graphing calculators having a taxable value of one hundred fifty dollars or less,];
31 and all retail sales of [personal] computers [or computer peripheral devices] **and**
32 **school computer supplies** not to exceed one thousand five hundred dollars **per**
33 **item**, during a three-day period beginning at 12:01 a.m. on the first Friday in
34 August and ending at midnight on the Sunday following. **Where a purchaser**
35 **and seller are located in two different time zones, the time zone of the**
36 **seller's location shall determine the authorized exemption period.**

37 [3. If the governing body of any political subdivision adopted an ordinance
38 that applied to the 2004 sales tax holiday to prohibit the provisions of this section
39 from allowing the sales tax holiday to apply to such political subdivision's local
40 sales tax, then, notwithstanding any provision of a local ordinance to the
41 contrary, the 2005 sales tax holiday shall not apply to such political subdivision's
42 local sales tax. However, any such political subdivision may enact an ordinance
43 to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
44 subdivision must notify the department of revenue not less than forty-five
45 calendar days prior to the beginning date of the sales tax holiday occurring in
46 that year of any ordinance or order rescinding an ordinance or order to opt out.

47 4.] 2. This section shall not apply to any sales which take place within the
48 Missouri state fairgrounds.

49 [5.] 3. This section applies to sales of items bought for personal use only.

50 [6. After the 2005 sales tax holiday, any political subdivision may, by

51 adopting an ordinance or order, choose to prohibit future annual sales tax
52 holidays from applying to its local sales tax. After opting out, the political
53 subdivision may rescind the ordinance or order. The political subdivision must
54 notify the department of revenue not less than forty-five calendar days prior to
55 the beginning date of the sales tax holiday occurring in that year of any ordinance
56 or order rescinding an ordinance or order to opt out.

57 **7.] 4. This section may not apply to any retailer when less than two**
58 **percent of the retailer's merchandise offered for sale qualifies for the sales tax**
59 **holiday. The retailer [shall] may offer a sales tax refund in lieu of the sales tax**
60 **holiday.**

61 **5. A sale of property which is eligible for an exemption under**
62 **subsection 1 of this section but is purchased under a layaway sale shall**
63 **only qualify for an exemption if:**

64 **(1) Final payment on a layaway order is made by, and the**
65 **property is given to, the purchaser during the exemption period; or**

66 **(2) The purchaser selects the property and the seller accepts the**
67 **order for the property during the exemption period, for immediate**
68 **delivery upon full payment, even if delivery is made after the**
69 **exemption period.**

70 **6. The exemption of a bundled transaction shall be calculated as**
71 **provided by law for all other bundled transactions.**

72 **7. (1) For any discount offered by a seller that is a reduction of**
73 **the sales price of the product, the discounted sales price shall**
74 **determine whether the sales price falls below the price threshold**
75 **provided in subsection 1 of this section. A coupon that reduces the**
76 **sales price shall be treated as a discount only if the seller is not**
77 **reimbursed for the coupon amount by a third party.**

78 **(2) If a discount applies to the total amount paid by a purchaser**
79 **rather than to the sales price of a particular product and the purchaser**
80 **has purchased both exempt property and taxable property, the seller**
81 **shall allocate the discount based on the total sales prices of the taxable**
82 **property compared to the total sales prices of all property sold in the**
83 **same transaction.**

84 **8. Items that are normally sold as a single unit shall continue to**
85 **be sold in that manner and shall not be priced separately and sold as**
86 **individual items.**

87 **9. Items that are purchased during an exemption period but that**

88 are not delivered to the purchaser until after the exemption period due
89 to the item not being in stock shall qualify for an exemption. The
90 provisions of this subsection shall not apply to an item that was
91 delivered during an exemption period but was purchased prior to or
92 after the exemption period.

93 10. (1) If a purchaser purchases an item of eligible property
94 during an exemption period, but later exchanges the item for a similar
95 eligible item after the exemption period, no additional tax shall be due
96 on the new item.

97 (2) If a purchaser purchases an item of eligible property during
98 an exemption period, but later returns the item after the exemption
99 period and receives credit on the purchase of a different nonexempt
100 item, the appropriate sales tax shall be due on the sale of the newly
101 purchased item.

102 (3) If a purchaser purchases an item of eligible property before
103 an exemption period, but during the exemption period returns the item
104 and receives credit on the purchase of a different item of eligible
105 property, no sales tax shall be due on the sale of the new item if the
106 new item is purchased during the exemption period.

107 (4) For a sixty day period immediately following the end of the
108 exemption period, if a purchaser returns an exempt item no credit for
109 or refund of sales tax shall be given unless the purchaser provides a
110 receipt or invoice that shows tax was paid, or the seller has sufficient
111 documentation to show that tax was paid on the item being returned.

112 11. For items that require delivery, an item shall be considered
113 exempt if:

114 (1) The item is both delivered to and paid for by the purchaser
115 during the exemption period; or

116 (2) The purchaser orders and pays for the item and the seller
117 accepts the order during the exemption period for immediate shipment,
118 even if delivery is made after the exemption period. For the purposes
119 of this subdivision, a seller shall be considered to have accepted an
120 order when the seller has taken action to fill the order for immediate
121 shipment. Actions to fill an order shall include placement of an "in
122 date" stamp on a mail order or the assignment of an "order number" to
123 a telephone order. An order shall be considered for immediate
124 shipment when the purchaser does not request delayed shipment. An

125 **order shall be considered for immediate shipment notwithstanding a**
126 **shipment that may be delayed because of a backlog of orders or**
127 **because an item is currently unavailable or on back order.**

144.054. 1. As used in this section, the following terms mean:

2 (1) "Processing", any mode of treatment, act, or series of acts performed
3 upon materials to transform or reduce them to a different state or thing,
4 including treatment necessary to maintain or preserve such processing by the
5 producer at the production facility;

6 (2) "Recovered materials", those materials which have been diverted or
7 removed from the solid waste stream for sale, use, reuse, or recycling, whether
8 or not they require subsequent separation and processing.

9 2. In addition to all other exemptions granted under this chapter, there
10 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525
11 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or
12 payable under sections 144.010 to 144.525 and 144.600 to 144.761,] **this chapter**
13 **and from the computation of the tax levied, assessed, or payable under**
14 **this chapter** electrical energy and gas, whether natural, artificial, or propane,
15 water, coal, and energy sources, chemicals, machinery, equipment, and materials
16 used or consumed in the manufacturing, processing, compounding, mining, or
17 producing of any product, or used or consumed in the processing of recovered
18 materials, or used in research and development related to manufacturing,
19 processing, compounding, mining, or producing any product. [The exemptions
20 granted in this subsection shall not apply to local sales taxes as defined in section
21 32.085 and the provisions of this subsection shall be in addition to any state and
22 local sales tax exemption provided in section 144.030.]

23 3. In addition to all other exemptions granted under this chapter, there
24 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525
25 and 144.600 to 144.761, and section 238.235, and the local sales tax law as
26 defined in section 32.085, and from the computation of the tax levied, assessed,
27 or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section
28 238.235, and the local sales tax law as defined in section 32.085] **this chapter**
29 **and from the computation of the tax levied, assessed, and payable**
30 **under this chapter**, all utilities, machinery, and equipment used or consumed
31 directly in television or radio broadcasting and all sales and purchases of tangible
32 personal property, utilities, services, or any other transaction that would
33 otherwise be subject to the state or local sales or use tax when such sales are

34 made to or purchases are made by a contractor for use in fulfillment of any
35 obligation under a defense contract with the United States government, and all
36 sales and leases of tangible personal property by any county, city, incorporated
37 town, or village, provided such sale or lease is authorized under chapter 100, and
38 such transaction is certified for sales tax exemption by the department of
39 economic development, and tangible personal property used for railroad
40 infrastructure brought into this state for processing, fabrication, or other
41 modification for use outside the state in the regular course of business.

42 4. In addition to all other exemptions granted under this chapter, there
43 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525
44 and 144.600 to 144.761, and section 238.235, and the local sales tax law as
45 defined in section 32.085, and from the computation of the tax levied, assessed,
46 or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section
47 238.235, and the local sales tax law as defined in section 32.085] **this chapter**
48 **and from the computation of the tax levied, assessed, and payable**
49 **under this chapter**, all sales and purchases of tangible personal property,
50 utilities, services, or any other transaction that would otherwise be subject to the
51 state or local sales or use tax when such sales are made to or purchases are made
52 by a private partner for use in completing a project under sections 227.600 to
53 227.669.

54 5. In addition to all other exemptions granted under this chapter, there
55 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525
56 and 144.600 to 144.761, and section 238.235, and the local sales tax law as
57 defined in section 32.085, and from the computation of the tax levied, assessed,
58 or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section
59 238.235, and the local sales tax law as defined in section 32.085,] **this chapter**
60 **and from the computation of the tax levied, assessed, and payable**
61 **under this chapter** all materials, manufactured goods, machinery and parts,
62 electrical energy and gas, whether natural, artificial or propane, water, coal and
63 other energy sources, chemicals, soaps, detergents, cleaning and sanitizing
64 agents, and other ingredients and materials inserted by commercial or industrial
65 laundries to treat, clean, and sanitize textiles in facilities which process at least
66 five hundred pounds of textiles per hour and at least sixty thousand pounds per
67 week.

144.060. 1. It shall be the duty of every person making any purchase or
2 receiving any service upon which a tax is imposed by sections 144.010 to 144.510

3 to pay, to the extent possible under the provisions of section 144.285, the amount
4 of such tax to the person making such sale or rendering such service. Any person
5 who shall willfully and intentionally refuse to pay such tax shall be guilty of a
6 misdemeanor. The provisions of this section shall not apply to any person
7 making any purchase or sale of a motor vehicle subject to sales tax as provided
8 by the Missouri sales tax law, unless such person making the sale is a motor
9 vehicle dealer authorized to collect and remit sales tax pursuant to subsection 8
10 of section 144.070.

11 **2. A purchaser shall be relieved from any additional tax, interest,**
12 **additions, or penalties for failure to collect and remit the proper**
13 **amount of tax owed on a purchase subject to sales tax under chapter**
14 **144 if:**

15 **(1) A purchaser's seller or a certified service provider relied on**
16 **erroneous data provided by the director on tax rates, boundaries,**
17 **taxing jurisdiction assignments, or in the taxability matrix created**
18 **pursuant to section 144.124;**

19 **(2) A purchaser holding a direct pay permit created pursuant to**
20 **section 144.079 relied on erroneous data provided by the director on**
21 **tax rates, boundaries, taxing jurisdiction assignments, or in the**
22 **taxability matrix created pursuant to section 144.124;**

23 **(3) A purchaser using a database created pursuant to section**
24 **144.123 received erroneous data provided by the director on tax rates,**
25 **boundaries, or taxing jurisdiction assignments; or**

26 **(4) A purchaser relied on erroneous data provided by the**
27 **director in the taxability matrix created pursuant to section 144.124.**

144.079. 1. The provisions of section 144.080 notwithstanding, the
2 **director shall promulgate rules to allow for the issuance of direct pay**
3 **permits to purchasers. Purchasers holding such a permit shall be**
4 **permitted to purchase goods and services which are subject to sales tax**
5 **under chapter 144 without remitting payment of the tax to the seller at**
6 **the time of purchase. Such purchaser shall make a determination of**
7 **the amount of tax owed and shall report and remit such amount**
8 **directly to the taxing jurisdiction.**

9 **2. The director shall promulgate rules to implement the**
10 **provisions of this section. Such rules shall include an application**
11 **process for the issuance of a permit created under this section. Any**
12 **rule or portion of a rule, as that term is defined in section 536.010,**

13 **RSMo, that is created under the authority delegated in this section**
14 **shall become effective only if it complies with and is subject to all of**
15 **the provisions of chapter 536, RSMo, and, if applicable, section 536.028,**
16 **RSMo. This section and chapter 536, RSMo, are nonseverable and if any**
17 **of the powers vested with the general assembly pursuant to chapter**
18 **536, RSMo, to review, to delay the effective date, or to disapprove and**
19 **annul a rule are subsequently held unconstitutional, then the grant of**
20 **rulemaking authority and any rule proposed or adopted after January**
21 **1, 2019, shall be invalid and void.**

144.080. 1. Every person receiving any payment or consideration upon
2 the sale of property or rendering of service, subject to the tax imposed by the
3 provisions of sections 144.010 to 144.525, is exercising the taxable privilege of
4 selling the property or rendering the service at retail and is subject to the tax
5 levied in section 144.020. The person shall be responsible not only for the
6 collection of the amount of the tax imposed on the sale or service to the extent
7 possible under the provisions of section 144.285, but shall, on or before the last
8 day of the month following each calendar quarterly period of three months, file
9 a return with the director of revenue showing the person's gross receipts and the
10 amount of tax levied in section 144.020 for the preceding quarter, and shall remit
11 to the director of revenue, with the return, the taxes levied in section 144.020,
12 except as provided in [subsections 2 and 3] **subsection 2** of this section. The
13 director of revenue may promulgate rules or regulations changing the filing and
14 payment requirements of sellers, but shall not require any seller to file and pay
15 more frequently than required in this section.

16 2. [Where the aggregate amount levied and imposed upon a seller by
17 section 144.020 is in excess of two hundred fifty dollars for either the first or
18 second month of a calendar quarter, the seller shall file a return and pay such
19 aggregate amount for such months to the director of revenue by the twentieth day
20 of the succeeding month.

21 3.] Where the aggregate amount levied and imposed upon a seller by
22 section 144.020 is less than forty-five dollars in a calendar quarter, the director
23 of revenue shall by regulation permit the seller to file a return for a calendar
24 year. The return shall be filed and the taxes paid on or before January
25 thirty-first of the succeeding year.

26 [4.] 3. The seller of any property or person rendering any service, subject
27 to the tax imposed by sections 144.010 to 144.525, shall collect the tax from the

28 purchaser of such property or the recipient of the service to the extent possible
29 under the provisions of section 144.285, but the seller's inability to collect any
30 part or all of the tax does not relieve the seller of the obligation to pay to the
31 state the tax imposed by section 144.020; except that the collection of the tax
32 imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be
33 made as provided in sections 144.070 and 144.440.

34 [5.] 4. Any person may advertise or hold out or state to the public or to
35 any customer directly that the tax or any part thereof imposed by sections
36 144.010 to 144.525, and required to be collected by the person, will be assumed
37 or absorbed by the person, provided that the amount of tax assumed or absorbed
38 shall be stated on any invoice or receipt for the property sold or service
39 rendered. Any person violating any of the provisions of this section shall be
40 guilty of a misdemeanor. This subsection shall not apply to any retailer
41 prohibited from collecting and remitting sales tax under section 66.630.

144.082. 1. The director shall participate in an online
2 registration system that will allow sellers to register in this state and
3 other member states.

4 2. By registering, the seller agrees to collect and remit sales and
5 use taxes for all taxable sales into this state as well as the other
6 member states, including member states joining after the seller's
7 registration. Withdrawal or revocation of this state from the agreement
8 shall not relieve a seller of its responsibility to remit taxes previously
9 or subsequently collected on behalf of this state.

10 3. If the seller has a requirement to register prior to registering
11 under the agreement, such seller shall obtain a retail sales license
12 under section 144.083 and register under section 144.650.

13 4. Registration with the central registration system and the
14 collection of sales and use taxes in this state shall not be used as a
15 factor in determining whether the seller has nexus with this state for
16 any tax at any time.

144.083. 1. The director of revenue shall require all persons who are
2 responsible for the collection of taxes under the provisions of section 144.080 to
3 procure a retail sales license at no cost to the licensee which shall be prominently
4 displayed at the licensee's place of business, and the license is valid until revoked
5 by the director or surrendered by the person to whom issued when sales are
6 discontinued. The director shall issue the retail sales license within ten working

7 days following the receipt of a properly completed application. Any person
8 applying for a retail sales license or reinstatement of a revoked sales tax license
9 who owes any tax under sections 144.010 to 144.510 or sections 143.191 to
10 143.261 must pay the amount due plus interest and penalties before the
11 department may issue the applicant a license or reinstate the revoked license. All
12 persons beginning business subsequent to August 13, 1986, and who are required
13 to collect the sales tax shall secure a retail sales license prior to making sales at
14 retail. Such license may, after ten days' notice, be revoked by the director of
15 revenue only in the event the licensee shall be in default for a period of sixty days
16 in the payment of any taxes levied under section 144.020 or sections 143.191 to
17 143.261. Notwithstanding the provisions of section 32.057 in the event of
18 revocation, the director of revenue may publish the status of the business account
19 including the date of revocation in a manner as determined by the director.

20 2. The possession of a retail sales license and a statement from the
21 department of revenue that the licensee owes no tax due under sections 144.010
22 to 144.510 or sections 143.191 to 143.261 shall be a prerequisite to the issuance
23 or renewal of any city or county occupation license or any state license which is
24 required for conducting any business where goods are sold at retail. The date of
25 issuance on the statement that the licensee owes no tax due shall be no more
26 than ninety days before the date of submission for application or renewal of the
27 local license. The revocation of a retailer's license by the director shall render the
28 occupational license or the state license null and void.

29 3. No person responsible for the collection of taxes under section 144.080
30 shall make sales at retail unless such person is the holder of a valid retail sales
31 license. After all appeals have been exhausted, the director of revenue may notify
32 the county or city law enforcement agency representing the area in which the
33 former licensee's business is located that the retail sales license of such person
34 has been revoked, and that any county or city occupation license of such person
35 is also revoked. The county or city may enforce the provisions of this section, and
36 may prohibit further sales at retail by such person.

37 4. In addition to the provisions of subsection 2 of this section, beginning
38 January 1, 2009, the possession of a statement from the department of revenue
39 stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to
40 144.510 shall also be a prerequisite to the issuance or renewal of any city or
41 county occupation license or any state license required for conducting any
42 business where goods are sold at retail. The statement of no tax due shall be

43 dated no longer than ninety days before the date of submission for application or
44 renewal of the city or county license.

45 [5. Notwithstanding any law or rule to the contrary, sales tax shall only
46 apply to the sale price paid by the final purchaser and not to any off-invoice
47 discounts or other pricing discounts or mechanisms negotiated between
48 manufacturers, wholesalers, and retailers.]

144.084. 1. The director shall promulgate rules and regulations
2 for remittance of returns. Such rules shall:

3 (1) Allow for electronic payments by all remitters by both ACH
4 credit and ACH debit;

5 (2) Provide an alternative method for making "same day"
6 payments if an electronic funds transfer fails;

7 (3) Provide that if a due date falls on a Saturday, Sunday, or
8 legal holiday in the member state or on a day the Federal Reserve Bank
9 is closed that prohibits a person from being able to make a payment by
10 ACH debit or credit, the taxes shall be due on the next succeeding
11 business day; and

12 (4) Require that any data that accompanies a remittance be
13 formatted using uniform tax type and payment type codes approved by
14 the streamlined sales and use tax governing board.

15 2. All model 1, model 2, and model 3 sellers shall file returns
16 electronically. Any model 1, model 2, or model 3 seller shall submit its
17 sales and use tax returns in a simplified format approved by the
18 director at such times as may be prescribed by the director.

19 3. (1) The director shall make available to all sellers, whether or
20 not the seller is registered under the streamlined sales and use tax
21 agreement, a simplified electronic return that is in a form approved by
22 the streamlined sales and use tax governing board and shall contain
23 only those fields approved by the governing board. Such simplified
24 electronic return shall contain two parts, with part one containing
25 information relating to remittances and allocations and part two
26 containing information relating to exempt sales.

27 (2) The director shall not require the submission of part two
28 information from a model 4 seller which has no legal requirement to
29 register in the state.

30 4. (1) Certified service providers shall file a simplified electronic
31 return on behalf of its model 1 sellers and shall be required to file part

32 one of the simplified electronic return at the times provided in sections
33 144.080 and 144.090. The director shall allow model 1 sellers to file
34 parts one and two of the simplified electronic return.

35 (2) Model 2 and model 3 sellers shall file a simplified electronic
36 return at the times provided in sections 144.080 and 144.090 for each
37 taxing period for which they anticipate making sales in the state. Such
38 sellers shall file part two information:

39 (a) At the same time as the seller files part one information; or

40 (b) At the time of the final due date of part one information in
41 a given calendar year. A submission under this paragraph shall include
42 data for all previous months of the same calendar year and shall be
43 presented as yearly totals.

44 (3) The director shall allow model 4 sellers to file a simplified
45 electronic return at the times provided in sections 144.080 and
46 144.090. Such sellers shall file part two information:

47 (a) At the same time as the seller files part one information; or

48 (b) At the time of the final due date of part one information in
49 a given calendar year. A submission under this paragraph shall include
50 data for all previous months of the same calendar year and shall be
51 presented as yearly totals.

52 (4) Model 4 sellers that elect not to file a simplified electronic
53 return shall file returns in the form and at the times afforded to sellers
54 not registered under the streamlined sales and use tax agreement.

55 (5) The director shall allow sellers not registered under the
56 streamlined sales and use tax agreement that are registered in the state
57 to file a simplified electronic return at the times provided in sections
58 144.080 and 144.090. Such sellers shall file part two information:

59 (a) At the same time as the seller files part one information; or

60 (b) At the time of the final due date of part one information in
61 a given calendar year. A submission under this paragraph shall include
62 data for all previous months of the same calendar year and shall be
63 presented as yearly totals.

64 5. A seller that is registered under the streamlined sales and use
65 tax agreement and that has indicated at the time of registration that it
66 anticipates making no sales which would be sourced to the state under
67 the streamlined sales and use tax agreement shall not be required to
68 file a return. A seller shall be disqualified for such exemption for any

69 quarter in which the seller makes any taxable sales in the state and
70 shall file a return for such quarter as provided in sections 144.080 and
71 144.090.

72 6. The director shall provide for a standardized transmission
73 process that allows for receipt of uniform tax returns and other
74 formatted information. Such process shall provide for the filing of
75 separate returns for multiple legal entities in a single transmission and
76 shall not include any requirement for manual entry or input by a
77 seller. The process shall allow a certified service provider, a tax
78 preparer, or any other authorized entity to do so, to file returns for
79 more than one seller in a single transmission. However, sellers filing
80 returns for multiple legal entities shall only do so for affiliated legal
81 entities.

82 7. The director shall give notice to a seller registered under the
83 streamlined sales and use tax agreement which has no legal
84 requirement to register in the state of a failure to file a required return
85 and shall provide such seller at least thirty days following such notice
86 to file a return prior to holding the seller liable for any penalties based
87 on a failure to file a timely return.

144.100. 1. Every person making any taxable sales of property or service,
2 except transactions provided for in sections 144.070 and 144.440, individually or
3 by duly authorized officer or agent, shall make and file a written return with the
4 director of revenue in such manner as he may prescribe.

5 2. The returns shall be on blanks designed and furnished by the director
6 of the department of revenue and shall be filed at the times provided in sections
7 144.080 and 144.090. The returns shall [show the amount of gross receipts from
8 sales of taxable property and services by the person and the amount of tax due
9 thereon by that person during and for the period covered by the return] state:

10 (1) The name and address of the retailer;

11 (2) The total amount of gross sales of all tangible personal
12 property and taxable services rendered by the retailer during the
13 period for which the return is made;

14 (3) The total amount received during the period for which the
15 return is made on charge and time sales of tangible personal property
16 made and taxable services rendered prior to the period for which the
17 return is made;

18 (4) Deductions allowed by law from such total amount of gross

19 sales and from total amount received during the period for which the
20 return is made on such charge and time sales;

21 (5) Receipts during the period for which the return is made from
22 the total amount of sales of tangible personal property and taxable
23 services rendered during such period in the course of such business,
24 after deductions allowed by law have been made;

25 (6) Receipts during the period for which the return is made from
26 charge and time sales of tangible personal property made and taxable
27 services rendered prior to such period in the course of such business,
28 after deductions allowed by law have been made;

29 (7) Gross receipts during the period for which the return is made
30 from sales of tangible personal property and taxable services rendered
31 in the course of such business upon the basis of which the tax is
32 imposed; and

33 (8) Such other pertinent information as the director may require.

34 3. In making such return, the retailer shall determine the market
35 value of any consideration, other than money, received in connection
36 with the sale of any tangible personal property in the course of the
37 business and shall include such value in the return. Such value shall
38 be subject to review and revision by the director as hereinafter
39 provided. Refunds made by a retailer during the period for which the
40 return is made on account of tangible personal property returned to
41 the retailer shall be allowed as a deduction under subdivision (4) of
42 subsection 2 of this section in case the retailer has included the
43 receipts from such sale in a return made by such retailer and paid
44 taxes on such sale. The retailer shall, at the time of making such
45 return, pay to the director the amount of tax owed, except as otherwise
46 provided in this section. The director may extend the time for making
47 returns and paying the tax required by this section for any period not
48 to exceed sixty days under such rules and regulations as the director
49 of revenue may prescribe.

50 4. The director shall only require a single tax return for each
51 taxing period and such return shall include only the taxing
52 jurisdictions in which the seller makes sales within the state. With each
53 return, the person shall remit to the director of revenue the full amount of the tax
54 due.

55 [3.] 5. In case of charge and time sales the gross receipts thereof shall

56 be included as sales in the returns as and when payments are received by the
57 person, without any deduction therefrom whatsoever.

58 [4.] 6. If an error or omission is discovered in a return or a change be
59 necessary to show the true facts, the error may be corrected, the omission
60 supplied, or the change made in the return next filed with the director for the
61 filing period immediately following the filing period in which the error was made
62 or the omission occurred, as prescribed by law, except that no refund under this
63 chapter shall be allowed for any amount of tax paid by a seller which is based
64 upon charges incident to credit card discounts. Any other omission or error must
65 be corrected by filing an amended return for the erroneously reported period if
66 the amount of tax is less than that originally reported, or an additional return if
67 the amount of tax is greater than that originally reported. An additional return
68 shall be deemed filed on the date the envelope in which it is mailed is postmarked
69 or the date it is received by the director, whichever is earlier. Any payment of
70 tax, interest, penalty or additions to tax shall be deemed filed on the date the
71 envelope containing the payment is postmarked or the date the payment is
72 received by the director, whichever is earlier. If a refund or credit results from
73 the filing of an amended return, no refund or credit shall be allowed unless an
74 application for refund or credit is properly completed and submitted to the
75 director pursuant to section 144.190.

76 [5.] 7. The amount of gross receipts from sales and the amount of tax due
77 returned by the person, as well as all matters contained in the return, is subject
78 to review and revision in the manner herein provided for the correction of the
79 returns.

144.105. 1. A seller shall be allowed a deduction from taxable
2 sales for bad debts attributable to taxable sales of such seller that have
3 become uncollectable. Any deduction taken that is attributed to bad
4 debts shall not include interest.

5 2. The amount of the bad debt deduction shall be calculated
6 pursuant to 26 U.S.C. Section 166(b), except that such amount shall be
7 adjusted to exclude financing charges or interest, sales, or use taxes
8 charged on the purchase price, uncollectable amounts on property that
9 remain in the possession of the seller until the full purchase price is
10 paid, and expenses incurred in attempting to collect any debt or
11 repossessed property.

12 3. Bad debts may be deducted on the return for the period

13 during which the bad debt is written off as uncollectable in the seller's
14 books and records and is eligible to be deducted for federal income tax
15 purposes. For purposes of this subsection, a seller who is not required
16 to file federal income tax returns may deduct a bad debt on a return
17 filed for the period in which the bad debt is written off as uncollectable
18 in the seller's books and records and would be eligible for a bad debt
19 deduction for federal income tax purposes if the seller was required to
20 file a federal income tax return.

21 4. If a deduction is taken for a bad debt and the debt is
22 subsequently collected in whole or in part, the tax on the amount so
23 collected shall be paid and reported on the return filed for the period
24 in which the collection is made.

25 5. When the amount of bad debt exceeds the amount of taxable
26 sales for the period during which the bad debt is written off, a refund
27 claim may be filed by the seller within the applicable statute of
28 limitations for refund claim; however, the statute of limitations shall
29 be measured from the due date of the return on which the bad debt
30 could first be claimed.

31 6. Where filing responsibilities have been assumed by a certified
32 service provider, such service provider may claim, on behalf of the
33 seller, any bad debt allowance provided by this section. The certified
34 service provider shall credit or refund the full amount of any bad debt
35 allowance or refund received to the seller.

36 7. For the purposes of reporting a payment received on a
37 previously claimed bad debt, any payments made on a debt or account
38 shall first be applied proportionally to the taxable price of the property
39 or service and the sales tax thereon, and secondly to interest, service
40 charges, and any other charges.

41 8. In situations where the books and records of the seller, or
42 certified service provider on behalf of the seller, claiming the bad debt
43 allowance support an allocation of the bad debts among the member
44 states, such an allocation shall be permitted.

144.109. 1. Certified service providers providing services to
2 model 1 sellers shall not be certified unless:

3 (1) The provider's system has been designed and tested to ensure
4 the anonymity of purchasers unless otherwise required by law;

5 (2) Personally identifiable information is only used and retained

6 to the extent necessary for the administration of model 1 with respect
7 to exempt purchasers, and for the identification of taxing jurisdictions;

8 (3) The provider provides consumers with clear and conspicuous
9 notice of its information practices, including what information it
10 collects, how it collects such information, how it uses such information,
11 how long, if at all, it retains such information, and whether it discloses
12 such information to the state. Such notice shall be satisfied by a
13 written privacy policy statement accessible by the public on the
14 certified service provider's website;

15 (4) The providers's collection, use, and retention of personally
16 identifiable information will be limited to that required by the state to
17 ensure the validity of exemptions from taxation that are claimed by
18 reason of a purchaser's status or the intended use of the goods or
19 services purchased, and for the documentation of correct assignment
20 of taxing jurisdictions; and

21 (5) The provider provides adequate technical, physical, and
22 administrative safeguards so as to protect personally identifiable
23 information from unauthorized access and disclosure.

24 2. (1) When any personally identifiable information that has
25 been collected and retained is no longer required for the purposes set
26 forth in subdivision (4) of subsection 1 of this section, such information
27 shall no longer be retained by the state.

28 (2) When personally identifiable information regarding an
29 individual is retained by or on behalf of the state, the state shall
30 provide reasonable access by such individual to his or her own
31 information in the state's possession, as well as a right to correct any
32 inaccurately recorded information.

33 (3) If anyone other than the state, or a person authorized by the
34 state, seeks to discover personally identifiable information of an
35 individual, the state shall make a reasonable and timely effort to notify
36 the individual of such request.

37 3. The attorney general for the state of Missouri shall have the
38 power to enforce the provisions of this section.

144.110. 1. The state shall review software submitted to the
2 streamlined sales and use tax governing board for certification as a
3 certified automated system (CAS) under Section 501 of the streamlined
4 sales and use tax agreement. Such review shall include a review to

5 determine that the program adequately classifies the state's product-
6 based exemptions. Upon completion of the review, the state shall
7 certify to the governing board its acceptance of the classifications made
8 by the system. The state shall relieve a certified service provider (CSP)
9 or model 2 seller from liability to this state and its local jurisdictions
10 for failure to collect sales or use taxes resulting from the CSP or model
11 2 seller's reliance on the certification provided by the state.

12 2. The streamlined sales and use tax governing board and this
13 state shall not be responsible for classification of an item or
14 transaction with the product-based exemptions. The relief from
15 liability provided in this section shall not be available for a CSP or
16 model 2 seller that has incorrectly classified an item or transaction into
17 a product-based exemption certified by this state. This subsection shall
18 not apply to the individual listing of items or transactions within a
19 product definition approved by the governing board or the state.

20 3. If the state determines that an item or transaction is
21 incorrectly classified as to its taxability, it shall notify the CSP or
22 model 2 seller of the incorrect classification. The CSP or model 2 seller
23 shall have ten days to revise the classification after receipt of notice
24 from the state of the determination. Upon expiration of the ten days,
25 such CSP or model 2 seller shall be liable for failure to collect the
26 correct amount of sales or use taxes due and owing to the state.

144.111. 1. (1) All retail sales in Missouri, excluding leases and
2 rentals, of tangible personal property or digital goods shall be sourced
3 to the location where the order is received by the seller.

4 (2) This subsection shall apply only if:

5 (a) The location where the order is received by the seller and the
6 location where the purchaser receives the product are both in Missouri;

7 (b) The location where receipt of the product by the purchaser
8 occurs is determined in accordance with subsection 2 of this section;
9 and

10 (c) At the time the order is received, the recordkeeping system
11 of the seller used to calculate the proper amount of sales or use tax to
12 be imposed captures the location where the order is received.

13 (3) When the sale is sourced under this section to the location
14 where the order is received by the seller, only the sales tax for the
15 location where the order is received by the seller may be levied. No

16 additional sales or use tax based on the location where the product is
17 delivered to the purchaser may be levied on that sale. The purchaser
18 shall not be entitled to any refund if the combined state and local rate
19 or rates at the location where the product is received by the purchaser
20 is lower than the rate where the order is received by the seller.

21 (4) A purchaser shall have no additional liability to the state for
22 tax, penalty, or interest on a sale for which the purchaser remits tax to
23 the seller in the amount invoiced by the seller if such invoice amount
24 is calculated at either the rate applicable to the location where receipt
25 by the purchaser occurs or at the rate applicable to the location where
26 the order is received by the seller. A purchaser may rely on a written
27 representation by the seller as to the location where the order for such
28 sale was received by the seller. When the purchaser does not have a
29 written representation by the seller as to the location where the order
30 for such sale was received by the seller, the purchaser may use a
31 location indicated by a business address for the seller that is available
32 from the business records of the purchaser that are maintained in the
33 ordinary course of the purchaser's business to determine the rate
34 applicable to the location where the order was received.

35 (5) The location where the order is received by or on behalf of
36 the seller means the physical location of a seller or third party such as
37 an established outlet, office location, or automated order receipt system
38 operated by or on behalf of the seller where an order is initially
39 received by or on behalf of the seller and not where the order may be
40 subsequently accepted, completed, or fulfilled. An order is received
41 when all of the information from the purchaser necessary to the
42 determination whether the order can be accepted has been received by
43 or on behalf of the seller. The location from which a product is shipped
44 shall not be used in determining the location where the order is
45 received by the seller.

46 (6) When taxable services are sold with tangible personal
47 property or digital products pursuant to a single contract or in the
48 same transaction, are billed on the same billing statement or
49 statements, and, because of the application of this section, would be
50 sourced to different jurisdictions, this subsection shall apply to
51 determine the source for tax.

52 2. Except as provided in section 144.112, when the location where

53 the order is received by the seller and the location where the receipt
54 of the product by the purchaser (or the purchaser's donee, designated
55 as such by the purchaser) occurs are in different states, the retail sale,
56 excluding lease or rental, of a product shall be sourced as follows:

57 (1) When the product is received by the purchaser at a business
58 location of the seller, the sale shall be sourced to such business
59 location;

60 (2) When the product is not received by the purchaser at a
61 business location of the seller, the sale shall be sourced to the location
62 where receipt by the purchaser (or the purchaser's donee, designated
63 as such by the purchaser) occurs, including the location indicated by
64 instructions for delivery to the purchaser or donee, known to the seller;

65 (3) When subdivisions (1) and (2) of this subsection do not apply,
66 the sale shall be sourced to the location indicated by an address for the
67 purchaser that is available from the business records of the seller that
68 are maintained in the ordinary course of the seller's business when use
69 of this address does not constitute bad faith;

70 (4) When subdivisions (1), (2), and (3) of this subsection do not
71 apply, the sale shall be sourced to the location indicated by an address
72 for the purchaser obtained during the consummation of the sale,
73 including the address of a purchaser's payment instrument, if no other
74 address is available, when use of this address does not constitute bad
75 faith;

76 (5) When none of the previous rules of subdivisions (1), (2), (3),
77 and (4) of this subsection apply, including the circumstances in which
78 the seller is without sufficient information to apply the previous rules,
79 then the location will be determined by the address from which
80 tangible personal property was shipped, from which the digital good or
81 computer software delivered electronically was first available for
82 transmission from the seller, or from which the service was provided
83 (disregarding for these purposes any location that merely provided the
84 digital transfer of the product sold).

85 3. Notwithstanding subsections 1 and 2 of this section, all sales
86 of motor vehicles, trailers, semi-trailers, watercraft, outboard motors,
87 and aircraft that do not qualify as transportation equipment shall be
88 sourced to the address of the owner thereof.

89 4. The lease or rental of tangible personal property, other than

90 property identified in subsection 2 or 3 of this section or transactions
91 regulated under sections 407.660 to 407.665, shall be sourced as follows:

92 (1) For a lease or rental that requires recurring periodic
93 payments, the first periodic payment is sourced the same as a retail
94 sale in accordance with the provisions of subsection 2 of this
95 section. Periodic payments made subsequent to the first payment are
96 sourced to the primary property location for each period covered by
97 the payment. The primary property location shall be as indicated by
98 an address for the property provided by the lessee that is available to
99 the lessor from its records maintained in the ordinary course of
100 business, when use of this address does not constitute bad faith. The
101 property location shall not be altered by intermittent use at different
102 locations, such as use of business property that accompanies employees
103 on business trips and service calls;

104 (2) For a lease or rental that does not require recurring periodic
105 payments, the payment is sourced the same as a retail sale in
106 accordance with the provisions of subsection 2 of this section;

107 (3) This subsection does not affect the imposition or computation
108 of sales or use tax on leases or rentals based on a lump sum or
109 accelerated basis, or on the acquisition of property for lease.

110 5. The lease or rental of motor vehicles, trailers, semi-trailers, or
111 aircraft that do not qualify as transportation equipment, as defined in
112 section 144.010, shall be sourced as follows:

113 (1) For a lease or rental that requires recurring periodic
114 payments, each periodic payment is sourced to the primary property
115 location. The primary property location shall be as indicated by an
116 address for the property provided by the lessee that is available to the
117 lessor from its records maintained in the ordinary course of business,
118 when use of such address does not constitute bad faith. Such location
119 shall not be altered by intermittent use at different locations;

120 (2) For a lease or rental that does not require recurring periodic
121 payments, the payment is sourced the same as a retail sale in
122 accordance with the provisions of subsection 2 of this section;

123 (3) This subsection does not affect the imposition or computation
124 of sales or use tax on leases or rentals based on a lump sum or
125 accelerated basis, or on the acquisition of property for lease.

126 6. The retail sale, including lease or rental, of transportation

127 equipment shall be sourced the same as a retail sale in accordance with
128 the provisions of subsection 2 of this section, notwithstanding the
129 exclusion of lease or rental in subsection 2 of this section.

144.112. 1. The retail sale of a product shall be sourced in
2 accordance with section 144.111. The provisions of section 144.111 shall
3 apply regardless of the characterization of a product as tangible
4 personal property, a digital good, or a service. The provisions of
5 section 144.111 shall only apply to determine a seller's obligation to pay
6 or collect and remit sales or use tax with respect to the seller's retail
7 sale of a product. The provisions of this subsection shall not affect the
8 obligation of a purchaser or lessee to remit tax on the use of the
9 product to the taxing jurisdictions of that use.

10 2. Section 144.111 shall not apply to sales or use taxes levied on
11 the following:

12 (1) Retail sales or transfers of watercraft, modular homes,
13 manufactured homes, or mobile homes; and

14 (2) Telecommunications services and ancillary services.

144.113. 1. (1) A purchaser of advertising and promotional direct
2 mail may provide the seller with either:

3 (a) A direct pay permit;

4 (b) An agreement certificate of exemption claiming direct mail
5 (or other written statement approved, authorized, or accepted by the
6 state); or

7 (c) Information showing the jurisdictions to which the
8 advertising and promotional direct mail is to be delivered to recipients.

9 (2) If the purchaser provides the permit, certificate, or statement
10 referred to in paragraph (a) or (b) of subdivision (1) of this subsection,
11 the seller, in the absence of bad faith, is relieved of all obligations to
12 collect, pay, or remit any tax on any transaction involving advertising
13 and promotional direct mail to which the permit, certificate, or
14 statement applies. The purchaser shall source the sale to the
15 jurisdictions to which the advertising and promotional direct mail is
16 to be delivered to the recipients and shall report and pay any
17 applicable tax due.

18 (3) If the purchaser provides the seller information showing the
19 jurisdictions to which the advertising and promotional direct mail is
20 to be delivered to recipients, the seller shall source the sale to the

21 jurisdictions to which the advertising and promotional direct mail is
22 to be delivered and shall collect and remit the applicable tax. In the
23 absence of bad faith, the seller is relieved of any further obligation to
24 collect any additional tax on the sale of advertising and promotional
25 direct mail where the seller has sourced the sale according to the
26 delivery information provided by the purchaser.

27 (4) If the purchaser does not provide the seller with any of the
28 items listed in paragraph (a), (b), or (c) of subdivision (1) of this
29 subsection, the sale shall be sourced according to subdivision (5) of
30 subsection 2 of section 144.111. The state to which the advertising and
31 promotional direct mail is delivered may disallow credit for tax paid
32 on sales sourced under this subdivision.

33 (5) Notwithstanding section 144.111, this subsection shall apply
34 to sales of advertising and promotional direct mail.

35 2. (1) Except as otherwise provided in this subsection, sales of
36 other direct mail are sourced in accordance with subdivision (3) of
37 subsection 2 of section 144.111.

38 (2) A purchaser of other direct mail may provide the seller with
39 either:

40 (a) A direct pay permit; or

41 (b) An agreement certificate of exemption claiming direct mail
42 (or other written statement approved, authorized, or accepted by the
43 state).

44 (3) If the purchaser provides the permit, certificate, or statement
45 referred to in paragraph (a) or (b) of subdivision (2) of this subsection,
46 the seller, in the absence of bad faith, is relieved of all obligations to
47 collect, pay, or remit any tax on any transaction involving other direct
48 mail to which the permit, certificate, or statement
49 apply. Notwithstanding subdivision (1) of this subsection, the sale shall
50 be sourced to the jurisdictions to which the other direct mail is to be
51 delivered to the recipients and the purchaser shall report and pay
52 applicable tax due.

53 (4) Notwithstanding section 144.111, this subsection shall apply
54 to sales of other direct mail.

55 3. (1) (a) This section applies to a transaction characterized
56 under state law as the sale of services only if the service is an integral
57 part of the production and distribution of printed material that meets

58 the definition of direct mail.

59 (b) This section does not apply to any transaction that includes
60 the development of billing information or the provision of any data
61 processing service that is more than incidental regardless of whether
62 advertising and promotional direct mail is included in the same
63 mailing.

64 (2) If a transaction is a bundled transaction that includes
65 advertising and promotion direct mail, this section applies only if the
66 primary purpose of the transaction is the sale of products or services
67 that meet the definition of advertising and promotional direct mail.

68 (3) Nothing in this section shall limit any purchaser's:

69 (a) Obligation for sales or use tax to any state to which the direct
70 mail is delivered;

71 (b) Right under local, state, federal, or constitutional law, to a
72 credit for sales or use taxes legally due and paid to other jurisdictions;
73 or

74 (c) Right to a refund of sales or use taxes overpaid to any
75 jurisdiction.

76 (4) This section applies for purposes of uniformly sourcing direct
77 mail transactions and does not impose requirements on states
78 regarding the taxation of products that meet the definition of direct
79 mail or to the application of sales for resale or other exemptions.

[144.043.] 144.114. 1. [As used in this section, the following terms
2 mean:

3 (1) "Light aircraft", a light airplane that seats no more than four persons,
4 with a gross weight of three thousand pounds or less, which is primarily used for
5 recreational flying or flight training;

6 (2) "Light aircraft kit", factory manufactured parts and components,
7 including engine, propeller, instruments, wheels, brakes, and air frame parts
8 which make up a complete aircraft kit or partial kit designed to be assembled into
9 a light aircraft and then operated by a qualified purchaser for recreational and
10 educational purposes;

11 (3) "Parts and components", manufactured light aircraft parts, including
12 air frame and engine parts, that are required by the qualified purchaser to
13 complete a light aircraft kit, or spare or replacement parts for an already
14 completed light aircraft;

15 (4) "Qualified purchaser", a purchaser of a light aircraft, light aircraft kit,
16 parts or components who is nonresident of this state, who will transport the light
17 aircraft, light aircraft kit, parts or components outside this state within ten days
18 after the date of purchase, and who will register any light aircraft so purchased
19 in another state or country. Such purchaser shall not base such aircraft in this
20 state and such purchaser shall not be a resident of the state unless such
21 purchaser has paid sales or use tax on such aircraft in another state.

22 2. In addition to the exemptions granted under the provisions of section
23 144.030, there shall also be specifically exempted from the provisions of sections
24 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and from the
25 provisions of any local sales tax law, as defined in section 32.085, and from the
26 computation of the tax levied, assessed or payable under sections 144.010 to
27 144.525, sections 144.600 to 144.748, section 238.235, and under any local sales
28 tax law, as defined in section 32.085, all sales of new light aircraft, light aircraft
29 kits, parts or components manufactured or substantially completed within this
30 state, when such new light aircraft, light aircraft kits, parts or components are
31 sold by the manufacturer to a qualified purchaser. The director of revenue shall
32 prescribe the manner for a purchaser of a light aircraft, light aircraft kit, parts
33 or components to establish that such person is a qualified purchaser and is
34 eligible for the exemption established in this section] **Except for the defined**
35 **telecommunication services in subsection 3 of this section, the sale of**
36 **telecommunication service sold on a call-by-call basis shall be sourced**
37 **to:**

38 **(1) Each level of taxing jurisdiction where the call originates and**
39 **terminates in that jurisdiction; or**

40 **(2) Each level of taxing jurisdiction where the call either**
41 **originates or terminates and in which the service address is also**
42 **located.**

43 **2. Except for the defined telecommunication services in**
44 **subsection 3 of this section, a sale of telecommunications services sold**
45 **on a basis other than a call-by-call basis, is sourced to the customer's**
46 **place of primary use.**

47 **3. The sale of the following telecommunication services shall be**
48 **sourced to each level of taxing jurisdiction as follows:**

49 **(1) A sale of mobile telecommunications services other than air-**
50 **to-ground radiotelephone service and prepaid calling service, is**

51 sourced to the customer's place of primary use as required by the
52 Mobile Telecommunications Sourcing Act;

53 (2) A sale of post-paid calling service is sourced to the
54 origination point of the telecommunications signal as first identified by
55 either:

56 (a) The seller's telecommunications system; or

57 (b) Information received by the seller from its service provider,
58 where the system used to transport such signals is not that of the seller;

59 (3) A sale of prepaid calling service or a sale of a prepaid
60 wireless calling service is sourced in accordance with section 144.111,
61 provided however, in the case of a sale of prepaid wireless calling
62 service, the rule provided in subdivision (5) of subsection 2 of section
63 144.111 shall include as an option the location associated with the
64 mobile telephone number;

65 (4) A sale of a private communication service is sourced as
66 follows:

67 (a) Service for a separate charge related to a customer channel
68 termination point is sourced to each level of jurisdiction in which such
69 customer channel termination point is located;

70 (b) Service where all customer termination points are located
71 entirely within one jurisdiction or levels of jurisdiction is sourced in
72 such jurisdiction in which the customer channel termination points are
73 located;

74 (c) Service for segments of a channel between two customer
75 channel termination points located in different jurisdictions and which
76 segment of channel are separately charged is sourced fifty percent in
77 each level of jurisdiction in which the customer channel termination
78 points are located; and

79 (d) Service for segments of a channel located in more than one
80 jurisdiction or levels of jurisdiction and which segments are not
81 separately billed is sourced in each jurisdiction based on the
82 percentage determined by dividing the number of customer channel
83 termination points in such jurisdiction by the total number of customer
84 channel termination points.

85 4. The sale of internet access service is sourced to the customer's
86 place of primary use.

87 5. The sale of an ancillary service is sourced to the customer's

88 place of primary use.

144.123. 1. The director shall provide and maintain a database
2 that describes boundary changes for all taxing jurisdictions and the
3 effective dates of such changes for sales and use tax purposes.

4 2. The director shall provide and maintain a database of all sales
5 and use tax rates for all taxing jurisdictions. For the identification of
6 counties and cities, codes corresponding to the rates shall be provided
7 according to Federal Information Processing Standards (FIPS) as
8 developed by the National Institute of Standards and Technology. For
9 the identification of all other jurisdictions, codes corresponding to the
10 rates shall be in a format determined by the director.

11 3. The director shall provide and maintain a database that
12 assigns each five- and nine-digit zip code to the proper rates and taxing
13 jurisdictions. The lowest combined tax rate imposed in the zip code
14 area shall apply if the area includes more than one tax rate in any level
15 of taxing jurisdiction. If a nine-digit zip code designation is not
16 available for a street address, or if a seller or a certified service
17 provider (CSP) is unable to determine the nine-digit zip code
18 designation applicable to a purchase after exercising due diligence to
19 determine the designation, the seller or CSP may apply the rate for the
20 five-digit zip code area. For purposes of this section, there shall be a
21 rebuttable presumption that a seller or CSP has exercised due diligence
22 if the seller has attempted to determine the nine-digit zip code
23 designation by utilizing software approved by the governing board that
24 makes this designation from the street address and the five-digit zip
25 code applicable to a purchase.

26 4. The director may provide address-based boundary database
27 records for assigning taxing jurisdictions and associated rates which
28 shall be in addition to the requirements of subsection 3 of this
29 section. The database records shall be in the same approved format as
30 the database records required under subsection 3 of this section and
31 shall meet the requirements developed pursuant to the federal Mobile
32 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the
33 director develops address-based assignment database records pursuant
34 to the agreement, sellers that register under the agreement shall be
35 required to use such database. A seller or CSP shall use such database
36 records in place of the five- and nine-digit zip code database records

37 provided for in subsection 3 of this section. If a seller or CSP is unable
38 to determine the applicable rate and jurisdiction using an address-
39 based database record after exercising due diligence, the seller or CSP
40 may apply the nine-digit zip code designation applicable to a purchase.
41 If a nine-digit zip code designation is not available for a street address
42 or if a seller or CSP is unable to determine the nine-digit zip code
43 designation applicable to a purchase after exercising due diligence to
44 determine the designation, the seller or CSP may apply the rate for the
45 five-digit zip code area. For the purposes of this section, there shall be
46 a rebuttable presumption that a seller or CSP has exercised due
47 diligence if the seller or CSP has attempted to determine the tax rate
48 and jurisdiction by utilizing software approved by the director and
49 makes the assignment from the address and zip code information
50 applicable to the purchase. If the director has met the requirements of
51 subsection 3 of this section, the director may also elect to certify
52 vendor provided address-based databases for assigning tax rates and
53 jurisdictions. The databases shall be in the same approved format as
54 the database records under this section and meet the requirements
55 developed pursuant to the federal Mobile Telecommunications Sourcing
56 Act, 4 U.S.C. Section 119(a). If the director certifies a vendor address-
57 based database, a seller or CSP may use such database in place of the
58 database provided for in this subsection.

59 5. The electronic databases provided for in subsections 1, 2, 3,
60 and 4 of this section shall be in downloadable format as determined by
61 the director. The databases may be directly provided by the director
62 or provided by a vendor as designated by the director. A database
63 provided by a vendor as designated by the director shall be applicable
64 and subject to the provisions of section 144.1031 and this section. The
65 databases shall be provided at no cost to the user of the database. The
66 provisions of subsections 3 and 4 of this section shall not apply when
67 the purchased product is received by the purchaser at the business
68 location of the seller.

69 6. No seller or CSP shall be liable for reliance upon erroneous
70 data provided by the director on tax rates, boundaries, or taxing
71 jurisdiction assignments.

144.124. 1. The director shall complete a taxability matrix. The
2 state's entries in the matrix shall be provided and maintained by the

3 director in a database that is in a downloadable format.

4 2. The director shall provide reasonable notice of changes in the
5 taxability of the products or services listed in the taxability matrix.

6 3. A seller or CSP shall be relieved from liability to this state or
7 any local taxing jurisdiction for having charged and collected the
8 incorrect amount of state or local sales or use tax resulting from such
9 seller's or CSP's reliance upon erroneous data provided by the director
10 in the taxability matrix.

144.125. 1. (1) Amnesty shall be granted for uncollected or
2 unpaid sales or use tax to a seller who registers to pay or to collect and
3 remit applicable sales or use tax on sales made to purchasers in this
4 state in accordance with the terms of the agreement, provided that the
5 seller was not so registered in this state in the twelve-month period
6 preceding the effective date of this state's participation in the
7 agreement.

8 (2) Amnesty shall preclude assessment for uncollected or unpaid
9 sales or use tax together with penalty or interest for sales made during
10 the period the seller was not registered in this state, provided
11 registration occurs within twelve months of the effective date of this
12 state's participation in the agreement.

13 (3) Amnesty shall be provided if this state joins the agreement
14 after the seller has registered.

15 2. Amnesty shall not be available to a seller with respect to any
16 matter or matters for which the seller received notice of the
17 commencement of an audit and which audit is not yet finally resolved
18 including any related administrative and judicial processes. The
19 amnesty shall not be available for sales or use taxes already paid or
20 remitted to this state or to taxes collected by the seller.

21 3. Amnesty provided under this section shall be fully effective,
22 absent the seller's fraud or intentional misrepresentation of a material
23 fact, as long as the seller continues registration and payment or
24 collection and remittance of applicable sales or use taxes for a period
25 of at least thirty-six months. The statute of limitations applicable to
26 asserting a tax liability during this thirty-six month period shall be
27 tolled.

28 4. Amnesty provided under this section shall be applicable only
29 to sales or use taxes due from a seller in its capacity as a seller and not

30 to sales or use taxes due from a seller in its capacity as a purchaser.

31 **5. The provisions of this section shall become effective as of the**
32 **date that the state joins and becomes a member state of the agreement.**

144.140. 1. From every remittance to the director of revenue made on or
2 before the date when the same becomes due, the person required to remit the
3 same shall be entitled to deduct and retain an amount equal to two percent
4 thereof.

5 **2. If the director of the department of revenue enters into the**
6 **streamlined sales and use tax agreement under section 32.070, the**
7 **director shall provide a monetary allowance from the taxes collected**
8 **to each of the following:**

9 **(1) A CSP, in accordance with the agreement and under the**
10 **terms of the contract signed with the provider, provided that such**
11 **allowance shall be funded entirely from money collected in Model 1;**

12 **(2) Any vendor registered under the agreement that selects a**
13 **certified automated system to perform part of its sales or use tax**
14 **functions;**

15 **(3) Any vendor registered under the agreement that uses a**
16 **proprietary system to calculate taxes due and has entered into a**
17 **performance agreement with states that are members of the**
18 **streamlined sales and use tax agreement.**

19 **3. The monetary allowance provided for vendors in subdivision**
20 **(2) or (3) of subsection 2 of this section shall be determined in**
21 **accordance with the agreement entered into with these parties by the**
22 **governing board.**

144.190. 1. If a tax has been incorrectly computed by reason of a clerical
2 error or mistake on the part of the director of revenue, such fact shall be set forth
3 in the records of the director of revenue, and the amount of the overpayment shall
4 be credited on any taxes then due from the person legally obligated to remit the
5 tax pursuant to sections 144.010 to 144.525, and the balance shall be refunded
6 to the person legally obligated to remit the tax, such person's administrators or
7 executors, as provided for in section 144.200.

8 **2. If any tax, penalty or interest has been paid more than once, or has**
9 **been erroneously or illegally collected, or has been erroneously or illegally**
10 **computed, such sum shall be credited on any taxes then due from the person**
11 **legally obligated to remit the tax pursuant to sections 144.010 to 144.525, and the**

12 balance, with interest as determined by section 32.065, shall be refunded to the
13 person legally obligated to remit the tax, but no such credit or refund shall be
14 allowed unless duplicate copies of a claim for refund are filed within three years
15 from date of overpayment.

16 3. Every claim for refund must be in writing and signed by the applicant,
17 and must state the specific grounds upon which the claim is founded. Any refund
18 or any portion thereof which is erroneously made, and any credit or any portion
19 thereof which is erroneously allowed, may be recovered in any action brought by
20 the director of revenue against the person legally obligated to remit the tax. In
21 the event that a tax has been illegally imposed against a person legally obligated
22 to remit the tax, the director of revenue shall authorize the cancellation of the tax
23 upon the director's record.

24 4. Notwithstanding the provisions of section 32.057, a purchaser that
25 originally paid sales or use tax to a vendor or seller may submit a refund claim
26 directly to the director of revenue for such sales or use taxes paid to such vendor
27 or seller and remitted to the director, provided no sum shall be refunded more
28 than once, any such claim shall be subject to any offset, defense, or other claim
29 the director otherwise would have against either the purchaser or vendor or
30 seller, and such claim for refund is accompanied by either:

31 (1) A notarized assignment of rights statement by the vendor or seller to
32 the purchaser allowing the purchaser to seek the refund on behalf of the vendor
33 or seller. An assignment of rights statement shall contain the Missouri sales or
34 use tax registration number of the vendor or seller, a list of the transactions
35 covered by the assignment, the tax periods and location for which the original
36 sale was reported to the director of revenue by the vendor or seller, and a
37 notarized statement signed by the vendor or seller affirming that the vendor or
38 seller has not received a refund or credit, will not apply for a refund or credit of
39 the tax collected on any transactions covered by the assignment, and authorizes
40 the director to amend the seller's return to reflect the refund; or

41 (2) In the event the vendor or seller fails or refuses to provide an
42 assignment of rights statement within sixty days from the date of such
43 purchaser's written request to the vendor or seller, or the purchaser is not able
44 to locate the vendor or seller or the vendor or seller is no longer in business, the
45 purchaser may provide the director a notarized statement confirming the efforts
46 that have been made to obtain an assignment of rights from the vendor or
47 seller. Such statement shall contain a list of the transactions covered by the

48 assignment, the tax periods and location for which the original sale was reported
49 to the director of revenue by the vendor or seller.

50 The director shall not require such vendor, seller, or purchaser to submit
51 amended returns for refund claims submitted under the provisions of this
52 subsection. Notwithstanding the provisions of section 32.057, if the seller is
53 registered with the director for collection and remittance of sales tax, the director
54 shall notify the seller at the seller's last known address of the claim for refund.
55 If the seller objects to the refund within thirty days of the date of the notice, the
56 director shall not pay the refund. If the seller agrees that the refund is
57 warranted or fails to respond within thirty days, the director may issue the
58 refund and amend the seller's return to reflect the refund. For purposes of
59 section 32.069, the refund claim shall not be considered to have been filed until
60 the seller agrees that the refund is warranted or thirty days after the date the
61 director notified the seller and the seller failed to respond.

62 5. Notwithstanding the provisions of section 32.057, when a vendor files
63 a refund claim on behalf of a purchaser and such refund claim is denied by the
64 director, notice of such denial and the reason for the denial shall be sent by the
65 director to the vendor and each purchaser whose name and address is submitted
66 with the refund claim form filed by the vendor. A purchaser shall be entitled to
67 appeal the denial of the refund claim within sixty days of the date such notice of
68 denial is mailed by the director as provided in section 144.261. The provisions
69 of this subsection shall apply to all refund claims filed after August 28,
70 2012. The provisions of this subsection allowing a purchaser to appeal the
71 director's decision to deny a refund claim shall also apply to any refund claim
72 denied by the director on or after January 1, 2007, if an appeal of the denial of
73 the refund claim is filed by the purchaser no later than September 28, 2012, and
74 if such claim is based solely on the issue of the exemption of the electronic
75 transmission or delivery of computer software.

76 6. Notwithstanding the provisions of this section, the director of revenue
77 shall authorize direct-pay agreements to purchasers which have annual purchases
78 in excess of seven hundred fifty thousand dollars pursuant to rules and
79 regulations adopted by the director of revenue. For the purposes of such
80 direct-pay agreements, the taxes authorized pursuant to chapters 66, 67, 70, 92,
81 94, 162, 190, 238, 321, and 644 shall be remitted based upon the location of the
82 place of business of the purchaser.

83 7. Special rules applicable to error corrections requested by customers of

84 mobile telecommunications service are as follows:

85 (1) For purposes of this subsection, the terms "customer", "home service
86 provider", "place of primary use", "electronic database", and "enhanced zip code"
87 shall have the same meanings as defined in the Mobile Telecommunications
88 Sourcing Act incorporated by reference in section 144.013;

89 (2) Notwithstanding the provisions of this section, if a customer of mobile
90 telecommunications services believes that the amount of tax, the assignment of
91 place of primary use or the taxing jurisdiction included on a billing is erroneous,
92 the customer shall notify the home service provider, in writing, within three years
93 from the date of the billing statement. The customer shall include in such
94 written notification the street address for the customer's place of primary use, the
95 account name and number for which the customer seeks a correction of the tax
96 assignment, a description of the error asserted by the customer and any other
97 information the home service provider reasonably requires to process the request;
98 (3) Within sixty days of receiving the customer's notice, the home service
99 provider shall review its records and the electronic database or enhanced zip code
100 to determine the customer's correct taxing jurisdiction. If the home service
101 provider determines that the review shows that the amount of tax, assignment
102 of place of primary use or taxing jurisdiction is in error, the home service
103 provider shall correct the error and, at its election, either refund or credit the
104 amount of tax erroneously collected to the customer for a period of up to three
105 years from the last day of the home service provider's sixty-day review period. If
106 the home service provider determines that the review shows that the amount of
107 tax, the assignment of place of primary use or the taxing jurisdiction is correct,
108 the home service provider shall provide a written explanation of its determination
109 to the customer.

110 8. For all refund claims submitted to the department of revenue on or
111 after September 1, 2003, notwithstanding any provision of this section to the
112 contrary, if a person legally obligated to remit the tax levied pursuant to sections
113 144.010 to 144.525 has received a refund of such taxes for a specific issue and
114 submits a subsequent claim for refund of such taxes on the same issue for a tax
115 period beginning on or after the date the original refund check issued to such
116 person, no refund shall be allowed. This subsection shall not apply and a refund
117 shall be allowed if the refund claim is filed by a purchaser under the provisions
118 of subsection 4 of this section, the refund claim is for use tax remitted by the
119 purchaser, or an additional refund claim is filed by a person legally obligated to

120 remit the tax due to any of the following:

121 (1) Receipt of additional information or an exemption certificate from the
122 purchaser of the item at issue;

123 (2) A decision of a court of competent jurisdiction or the administrative
124 hearing commission; or

125 (3) Changes in regulations or policy by the department of revenue.

126 9. Notwithstanding any provision of law to the contrary, the director of
127 revenue shall respond to a request for a binding letter ruling filed in accordance
128 with section 536.021 within sixty days of receipt of such request. If the director
129 of revenue fails to respond to such letter ruling request within sixty days of
130 receipt by the director, the director of revenue shall be barred from pursuing
131 collection of any assessment of sales or use tax with respect to the issue which is
132 the subject of the letter ruling request. For purposes of this subsection, the term
133 "letter ruling" means a written interpretation of law by the director to a specific
134 set of facts provided by a specific taxpayer or his or her agent.

135 10. If any tax was paid more than once, was incorrectly collected, or was
136 incorrectly computed, such sum shall be credited on any taxes then due from the
137 person legally obligated to remit the tax pursuant to sections 144.010 to 144.510
138 against any deficiency or tax due discovered through an audit of the person by the
139 department of revenue through adjustment during the same tax filing period for
140 which the audit applied.

141 **11. A cause of action against the seller by a purchaser for a tax**
142 **erroneously or illegally collected under this chapter does not accrue**
143 **until a purchaser has provided written notice to a seller and the seller**
144 **has had sixty days to respond. Such notice to the seller must contain**
145 **the information necessary to determine the validity of the request. A**
146 **seller shall be presumed to have a reasonable business practice if in the**
147 **collection of such tax, the seller uses a provider or a system certified**
148 **by the director and has remitted to the state all tax collected less any**
149 **deductions, credits, or allowances.**

144.210. 1. The burden of proving that a sale of tangible personal
2 property, services, substances or things was not a sale at retail shall be upon the
3 person who made the sale, except that with respect to sales, services, or
4 transactions provided for in section 144.070. [The seller shall obtain and
5 maintain exemption certificates signed by the purchaser or his agent as evidence
6 for any exempt sales claimed; provided, however, that before any administrative

7 tribunal of this state, a seller may prove that sale is exempt from tax under this
8 chapter in accordance with proof admissible under the applicable rules of
9 evidence; except that when a purchaser has purchased tangible personal property
10 or services sales tax free under a claim of exemption which is found to be
11 improper, the director of revenue may collect the proper amount of tax, interest,
12 additions to tax and penalty from the purchaser directly. Any tax, interest,
13 additions to tax or penalty collected by the director from the purchaser shall be
14 credited against the amount otherwise due from the seller on the purchases or
15 sales where the exemption was claimed.]

16 2. If the director of revenue is not satisfied with the return and payment
17 of the tax made by any person, he is hereby authorized and empowered to make
18 an additional assessment of tax due from such person, based upon the facts
19 contained in the return or upon any information within his possession or that
20 shall come into his possession.

21 3. The director of revenue shall give to the person written notice of such
22 additional or revised assessment by certified or registered mail to the person at
23 his or its last known address.

**144.212. 1. In addition to all other provisions of law provided for
2 exemptions, when an exemption is claimed by a purchaser:**

3 **(1) The seller shall obtain identifying information of the**
4 **purchaser and the reason for claiming a tax exemption at the time of**
5 **the purchase;**

6 **(2) A purchaser shall not be required to provide a signature to**
7 **claim an exemption from tax unless a paper exemption certificate is**
8 **used;**

9 **(3) The seller shall use the standard form for claiming an**
10 **exemption electronically prescribed by the director of the department**
11 **of revenue and acceptable to the streamlined sales and use tax**
12 **governing board;**

13 **(4) The seller shall obtain the same information for proof of a**
14 **claimed exemption regardless of the medium in which the transaction**
15 **occurred;**

16 **(5) The seller shall maintain proper records of exempt**
17 **transactions and provide such records to the director of the**
18 **department of revenue or the director's designee upon request;**

19 **(6) In the case of drop shipment sales, a third-party vendor, such**

20 as a drop shipper, may claim a resale exemption based on an exemption
21 certificate provided by its customer or any other acceptable
22 information available to the third-party vendor evidencing
23 qualification for a resale exemption, regardless of whether the
24 customer is registered to collect and remit sales and use tax in the state
25 where the sale is sourced.

26 2. Sellers that comply with the requirements of this section shall
27 be relieved from collecting and remitting tax otherwise applicable if it
28 is determined that the purchaser improperly claimed an exemption and
29 such purchaser shall be liable for the nonpayment of tax. Relief from
30 liability provided under this section shall not apply to a seller who
31 fraudulently fails to collect tax; to a seller who solicits purchasers to
32 participate in the unlawful claim of an exemption; to a seller who
33 accepts an exemption certificate when the purchaser claims an entity-
34 based exemption when the subject of the transaction sought to be
35 covered by the exemption certificate is actually received by the
36 purchaser at a location operated by the seller and the state in which
37 that location resides provides an exemption certificate that clearly and
38 affirmatively indicates that the claimed exemption is not available in
39 such state; or to a seller who accepts an exemption certificate claiming
40 multiple points of use for tangible personal property other than
41 computer software for which an exemption claiming multiple points of
42 use.

43 (1) A seller shall be relieved from collecting and remitting tax
44 otherwise applicable if the seller obtains a fully completed exemption
45 certificate or captures the relevant data elements required under the
46 agreement within ninety days subsequent to the date of sale.

47 (2) If a seller fails to obtain an exemption certificate or all
48 relevant data elements as provided in this section, the seller may,
49 within one hundred twenty days subsequent to a request for
50 substantiation by the director of the department of revenue or the
51 director's designee, either prove that the transaction was not subject
52 to tax by other means or obtain a fully completed exemption certificate
53 from the purchaser, taken in good faith.

54 3. Nothing in this section shall affect the ability of the director
55 of the department of revenue or the director's designee to require
56 purchasers to update exemption certificate information or to reapply

57 with the state to claim certain exemptions.

58 4. Notwithstanding the provisions of subsection 2 of this section
59 to the contrary, the director shall relieve a seller of the tax otherwise
60 applicable if the seller obtains a blanket exemption certificate for a
61 purchaser with which the seller has a recurring business
62 relationship. The director shall not request from the seller renewal of
63 blanket certificates or updates of exemption certificate information or
64 data elements when there is a recurring business relationship between
65 the buyer and seller. For purposes of this section, a recurring business
66 relationship exists when a period of no more than twelve months
67 elapses between sales transactions.

144.285. 1. [In order to permit sellers required to collect and report the
2 sales tax to collect the amount required to be reported and remitted, but not to
3 change the requirements of reporting or remitting tax or to serve as a levy of the
4 tax, and in order to avoid fractions of pennies, the director of revenue shall
5 establish brackets, showing the amounts of tax to be collected on sales of specified
6 amounts, which shall be applicable to all taxable transactions] **When the seller
7 is computing the amount of tax owed by the purchaser and remitted to
8 the state:**

9 (1) Tax computation shall be carried to the third decimal place;
10 and

11 (2) The tax shall be rounded to a whole cent using a method that
12 rounds up to the next cent whenever the third decimal place is greater
13 than four.

14 2. [In all instances where statements covering taxable purchases are
15 rendered to the taxpayer on a monthly or other periodic basis, the amount of tax
16 shall be determined by applying the applicable tax rate to the taxable purchases
17 represented on the statement, rounded to the nearest whole cent, or by
18 application of the brackets established by the director of revenue, at the option
19 of the retail vendor] **Sellers may elect to compute the tax due on a
20 transaction on an item or an invoice basis. The provision of this
21 subsection may be applied to the aggregated state and local taxes.**

22 3. No vendor or seller shall knowingly charge or receive from a purchaser
23 as a sales tax any sum in excess of the sums provided for in this section.

24 4. [A vendor may, at his option, determine the amount charged to and
25 received from each purchaser by use of a formula which applies the applicable tax

26 rate to each taxable purchase, rounded to the nearest whole cent. The formula
27 shall be uniformly and consistently applied to all purchases similarly situated.

28 5.] Amounts which a vendor charges to and receives from the purchaser
29 in accordance with this section shall not be includable in his gross receipts if the
30 amounts are separately charged or stated.

31 [6.] 5. If sales tax for one or more local political subdivisions is owed by
32 a taxpayer pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less
33 than all sales tax due for a filing period specified in section 144.080, the director
34 of revenue shall deposit the tax remitted proportionately to each taxing
35 jurisdiction in accordance with the percentage that each such jurisdiction's share
36 of the tax due for the filing period bears to the total tax due from such taxpayer
37 for such period. The unpaid balance due along with penalties and interest shall
38 be similarly prorated among the state and all local jurisdictions for which tax was
39 due during the filing period for which an underpayment occurs. The provisions
40 of this subsection shall apply to all returns or remittances relating to sales made
41 on or after January 1, 1984.

144.526. 1. This section shall be known and may be cited as the "Show
2 Me Green Sales Tax Holiday".

3 2. [For purposes of this section, the following terms mean:

4 (1) "Appliance", clothes washers and dryers, water heaters, trash
5 compactors, dishwashers, conventional ovens, ranges, stoves, air conditioners,
6 furnaces, refrigerators and freezers; and

7 (2) "Energy star certified", any appliance approved by both the United
8 States Environmental Protection Agency and the United States Department of
9 Energy as eligible to display the energy star label, as amended from time to time.

10 3.] In each year beginning on or after January 1, 2009, there is hereby
11 specifically exempted from state sales tax law **and all local sales and use**
12 **taxes** all retail sales of any [energy star certified] new appliance **that is an**
13 **energy star qualified product with a sales price of**, up to one thousand five
14 hundred dollars per appliance, during a seven-day period beginning at 12:01 a.m.
15 on April nineteenth and ending at midnight on April twenty-fifth. **Where a**
16 **purchaser and seller are located in two different time zones, the time**
17 **zone of the seller's location shall determine the authorized exemption**
18 **period.**

19 [4. A political subdivision may allow the sales tax holiday under this
20 section to apply to its local sales taxes by enacting an ordinance to that

21 effect. Any such political subdivision shall notify the department of revenue not
22 less than forty-five calendar days prior to the beginning date of the sales tax
23 holiday occurring in that year of any such ordinance or order.

24 5. This section may not apply to any retailer when less than two percent
25 of the retailer's merchandise offered for sale qualifies for the sales tax
26 holiday. The retailer shall offer a sales tax refund in lieu of the sales tax
27 holiday.]

28 3. A sale of property which is eligible for an exemption under
29 subsection 1 of this section but is purchased under a layaway sale shall
30 only qualify for an exemption if:

31 (1) Final payment on a layaway order is made by, and the
32 property is given to, the purchaser during the exemption period; or

33 (2) The purchaser selects the property and the seller accepts the
34 order for the property during the exemption period, for immediate
35 delivery upon full payment, even if delivery is made after the
36 exemption period.

37 4. The exemption of a bundled transaction shall be calculated as
38 provided by law for all other bundled transactions.

39 5. (1) For any discount offered by a seller that is a reduction of
40 the sales price of the product, the discounted sales price shall
41 determine whether the sales price falls below the price threshold
42 provided in subsection 1 of this section. A coupon that reduces the
43 sales price shall be treated as a discount only if the seller is not
44 reimbursed for the coupon amount by a third party.

45 (2) If a discount applies to the total amount paid by a purchaser
46 rather than to the sales price of a particular product and the purchaser
47 has purchased both exempt property and taxable property, the seller
48 shall allocate the discount based on the total sales prices of the taxable
49 property compared to the total sales prices of all property sold in the
50 same transaction.

51 6. Items that are normally sold as a single unit shall continue to
52 be sold in that manner and shall not be priced separately and sold as
53 individual items.

54 7. Items that are purchased during an exemption period but that
55 are not delivered to the purchaser until after the exemption period due
56 to the item not being in stock shall qualify for an exemption. The
57 provisions of this subsection shall not apply to an item that was

58 delivered during an exemption period but was purchased prior to or
59 after the exemption period.

60 8. (1) If a purchaser purchases an item of eligible property
61 during an exemption period, but later exchanges the item for a similar
62 eligible item after the exemption period, no additional tax shall be due
63 on the new item.

64 (2) If a purchaser purchases an item of eligible property during
65 an exemption period, but later returns the item after the exemption
66 period and receives credit on the purchase of a different nonexempt
67 item, the appropriate sales tax shall be due on the sale of the newly
68 purchased item.

69 (3) If a purchaser purchases an item of eligible property before
70 an exemption period, but during the exemption period returns the item
71 and receives credit on the purchase of a different item of eligible
72 property, no sales tax shall be due on the sale of the new item if the
73 new item is purchased during the exemption period.

74 (4) For a sixty day period immediately following the end of the
75 exemption period, if a purchaser returns an exempt item no credit for
76 or refund of sales tax shall be given unless the purchaser provides a
77 receipt or invoice that shows tax was paid, or the seller has sufficient
78 documentation to show that tax was paid on the item being returned.

79 9. For items that require delivery, an item shall be considered
80 exempt if:

81 (1) The item is both delivered to and paid for by the purchaser
82 during the exemption period; or

83 (2) The purchaser orders and pays for the item and the seller
84 accepts the order during the exemption period for immediate shipment,
85 even if delivery is made after the exemption period. For the purposes
86 of this subdivision, a seller shall be considered to have accepted an
87 order when the seller has taken action to fill the order for immediate
88 shipment. Actions to fill an order shall include placement of an "in
89 date" stamp on a mail order or the assignment of an "order number" to
90 a telephone order. An order shall be considered for immediate
91 shipment when the purchaser does not request delayed shipment. An
92 order shall be considered for immediate shipment notwithstanding a
93 shipment that may be delayed because of a backlog of orders or
94 because an item is currently unavailable or on back order.

144.600. 1. This law may be cited as the "Compensating Use Tax Law".

2 **2. All provisions in sections 144.010 to 144.527 with respect to**
3 **sales into this state by out-of-state sellers apply to the Compensating**
4 **Use Tax Law.**

144.612. A vendor is required to register with the director under
2 **this chapter for the collection and remittance of use tax if the vendor**
3 **is engaged in business activities within this state. For purposes of this**
4 **chapter, "engages in business activities within this state" includes:**

5 **(1) Maintaining or having a franchisee or licensee operating**
6 **under the seller's trade name in this state if the franchisee or licensee**
7 **is required to collect sales tax pursuant to sections 144.010 to 144.525;**

8 **(2) Soliciting sales or taking orders by sales agents or traveling**
9 **representatives;**

10 **(3) A vendor is presumed to engage in business activities within**
11 **this state if any person, other than a common carrier acting in its**
12 **capacity as such, that has substantial nexus with this state:**

13 **(a) Sells a similar line of products as the vendor and does so**
14 **under the same or a similar business name;**

15 **(b) Maintains an office, distribution facility, warehouse, or**
16 **storage place, or similar place of business in the state to facilitate the**
17 **delivery of property or services sold by the vendor to the vendor's**
18 **customers;**

19 **(c) Delivers, installs, assembles, or performs maintenance**
20 **services for the vendor's customers within the state;**

21 **(d) Facilitates the vendor's delivery of property to customers in**
22 **the state by allowing the vendor's customers to pick up property sold**
23 **by the vendor at an office, distribution facility, warehouse, storage**
24 **place, or similar place of business maintained by the person in the**
25 **state; or**

26 **(e) Conducts any other activities in the state that are**
27 **significantly associated with the vendor's ability to establish and**
28 **maintain a market in the state for the sales;**

29 **(4) The presumption in subdivision (3) of this section may be**
30 **rebutted by demonstrating that the person's activities in the state are**
31 **not significantly associated with the vendor's ability to establish or**
32 **maintain a market in this state for the vendor's sales;**

33 **(5) Notwithstanding subdivision (3) of this section, a vendor shall**

34 be presumed to engage in business activities within this state if the
35 vendor enters into an agreement with one or more residents of this
36 state under which the resident, for a commission or other
37 consideration, directly or indirectly refers potential customers,
38 whether by a link on an internet website, an in-person oral
39 presentation, telemarketing, or otherwise, to the vendor, if the
40 cumulative gross receipts from sales by the vendor to customers in the
41 state who are referred to the vendor by all residents with this type of
42 an agreement with the vendor is in excess of ten thousand dollars
43 during the preceding twelve months;

44 (6) The presumption in subdivision (5) of this section may be
45 rebutted by submitting proof that the residents with whom the vendor
46 has an agreement did not engage in any activity within the state that
47 was significantly associated with the vendor's ability to establish or
48 maintain the vendor's market in the state during the preceding twelve
49 months. Such proof may consist of sworn written statements from all
50 of the residents with whom the vendor has an agreement stating that
51 they did not engage in any solicitation in the state on behalf of the
52 vendor during the preceding year provided that such statements were
53 provided and obtained in good faith.

144.655. 1. Every vendor, on or before the last day of the month following
2 each calendar quarterly period of three months, shall file with the director of
3 revenue a return of all taxes collected for the preceding quarter in the form
4 prescribed by the director of revenue, showing the total sales price of the tangible
5 personal property sold by the vendor, the storage, use or consumption of which
6 is subject to the tax levied by this law, and other information the director of
7 revenue deems necessary. The return shall be accompanied by a remittance of
8 the amount of the tax required to be collected by the vendor during the period
9 covered by the return. Returns shall be signed by the vendor or the vendor's
10 authorized agent. The director of revenue may promulgate rules or regulations
11 changing the filing and payment requirements of vendors, but shall not require
12 any vendor to file and pay more frequently than required in this section.

13 2. Where the aggregate amount of tax required to be collected by a vendor
14 is in excess of two hundred and fifty dollars for either the first or second month
15 of a calendar quarter, the vendor shall pay such aggregate amount for such
16 months to the director of revenue by the twentieth day of the succeeding

17 month. The amount so paid shall be allowed as a credit against the liability
18 shown on the vendor's quarterly return required by this section.

19 3. Where the aggregate amount of tax required to be collected by a vendor
20 is less than forty-five dollars in a calendar quarter, the director of revenue shall
21 by regulation permit the vendor to file a return for a calendar year. The return
22 shall be filed and the taxes paid on or before January thirty-first of the
23 succeeding year.

24 4. Except as provided in subsection 5 of this section, every person
25 purchasing tangible personal property, the storage, use or consumption of which
26 is subject to the tax levied by sections 144.600 to 144.748, who has not paid the
27 tax due to a vendor registered in accordance with the provisions of section
28 144.650, shall file with the director of revenue a return for the preceding
29 reporting period in the form and manner that the director of revenue prescribes,
30 showing the total sales price of the tangible property purchased during the
31 preceding reporting period and any other information that the director of revenue
32 deems necessary for the proper administration of sections 144.600 to
33 144.748. The return shall be accompanied by a remittance of the amount of the
34 tax required by sections 144.600 to 144.748 to be paid by the person. Returns
35 shall be signed by the person liable for the tax or such person's duly authorized
36 agent. For purposes of this subsection, the reporting period shall be determined
37 by the director of revenue and may be a calendar quarter or a calendar
38 year. Annual returns and payments required by the director pursuant to this
39 subsection shall be due on or before April fifteenth of the year for the preceding
40 calendar year and quarterly returns and payments shall be due on or before the
41 last day of the month following each calendar period of three months. Upon the
42 taxpayer's request, the director may allow the filing of such returns and payments
43 on a monthly basis. If a taxpayer elects to file a monthly return and payment,
44 such return and payment shall be due on or before the twentieth day of the
45 succeeding month.

46 5. Any person purchasing tangible personal property subject to the taxes
47 imposed by sections 144.600 to 144.748 shall not be required to file a use tax
48 return with the director of revenue if such purchases on which such taxes were
49 not paid do not exceed in the aggregate two thousand dollars in any calendar
50 year.

51 6. Nothing in subsection 5 of this section shall relieve a vendor of liability
52 to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total

53 gross receipts of all sales of tangible personal property used, stored or consumed
54 in this state and to remit all taxes collected to the director of revenue in
55 accordance with the provisions of this section nor shall it relieve a purchaser from
56 paying such taxes to a vendor registered in accordance with the provisions of
57 section 144.650.

58 **7. Any out-of-state seller which is not legally required to register**
59 **for use tax in this state but chooses to collect and remit use tax under**
60 **sections 144.600 to 144.761 shall file a return for the calendar year. The**
61 **return shall be filed and the taxes paid on or before January thirty-**
62 **first of the succeeding year.**

144.759. 1. All local use taxes collected by the director of revenue
2 pursuant to sections 144.757 to 144.761 on behalf of any county or municipality,
3 less one percent for cost of collection, which shall be deposited in the state's
4 general revenue fund after payment of premiums for surety bonds as provided in
5 section 32.087 shall be deposited with the state treasurer in a local use tax trust
6 fund, which fund shall be separate and apart from the local sales tax trust
7 funds. The moneys in such local use tax trust fund shall not be deemed to be
8 state funds and shall not be commingled with any funds of the state. The
9 director of revenue shall keep accurate records of the amount of money in the
10 trust fund which was collected in each county or municipality imposing a local
11 use tax, and the records shall be open to the inspection of officers of the county
12 or municipality and to the public. No later than the tenth day of each month, the
13 director of revenue shall distribute all moneys deposited in the trust fund during
14 the preceding month, except as provided in subsection 2 of this section, to the
15 county or municipality treasurer, or such other officer as may be designated by
16 the county or municipality ordinance or order, of each county or municipality
17 imposing the tax authorized by sections 144.757 to 144.761, the sum due the
18 county or municipality as certified by the director of revenue.

19 2. The director of revenue shall distribute all moneys which would be due
20 any county having a charter form of government and having a population of nine
21 hundred thousand or more to the county treasurer or such other officer as may
22 be designated by county ordinance, who shall distribute such moneys as follows:
23 the portion of the use tax imposed by the county which equals one-half the rate
24 of sales tax in effect for such county shall be disbursed to the county treasurer for
25 expenditure throughout the county for public safety, parks, and job creation,
26 subject to any qualifications and regulations adopted by ordinance of the

27 county. Such ordinance shall require an audited comprehensive financial report
28 detailing the management and use of such funds each year. Such ordinance shall
29 also require that the county and the municipal league of the county jointly
30 prepare a strategy to guide expenditures of funds and conduct an annual review
31 of the strategy. The treasurer or such other officer as may be designated by
32 county ordinance shall distribute one-third of the balance to the county and to
33 each city, town and village in group B according to section 66.620 as modified by
34 this section, a portion of the two-thirds remainder of such balance equal to the
35 percentage ratio that the population of each such city, town or village bears to the
36 total population of all such group B cities, towns and villages. For the purposes
37 of this subsection, population shall be determined by the last federal decennial
38 census or the latest census that determines the total population of the county and
39 all political subdivisions therein. For the purposes of this subsection, each city,
40 town or village in group A according to section 66.620 but whose per capita sales
41 tax receipts during the preceding calendar year pursuant to sections 66.600 to
42 66.630 were less than the per capita countywide average of all sales tax receipts
43 during the preceding calendar year, shall be treated as a group B city, town or
44 village until the per capita amount distributed to such city, town or village equals
45 the difference between the per capita sales tax receipts during the preceding
46 calendar year and the per capita countywide average of all sales tax receipts
47 during the preceding calendar year.

48 3. The director of revenue may authorize the state treasurer to make
49 refunds from the amounts in the trust fund and credited to any county or
50 municipality for erroneous payments and overpayments made, and may redeem
51 dishonored checks and drafts deposited to the credit of such counties or
52 municipalities. If any county or municipality abolishes the tax, the county or
53 municipality shall notify the director of revenue of the action [at least ninety days
54 prior to the effective date of the repeal,] and the director of revenue may order
55 retention in the trust fund, for a period of one year, of two percent of the amount
56 collected after receipt of such notice to cover possible refunds or overpayment of
57 the tax and to redeem dishonored checks and drafts deposited to the credit of
58 such accounts. After one year has elapsed after the effective date of abolition of
59 the tax in such county or municipality, the director of revenue shall authorize the
60 state treasurer to remit the balance in the account to the county or municipality
61 and close the account of that county or municipality. The director of revenue
62 shall notify each county or municipality of each instance of any amount refunded

63 or any check redeemed from receipts due the county or municipality.

64 4. Except as modified in sections 144.757 to 144.761, all provisions of
65 sections 32.085 [and] to 32.087 applicable to the local sales tax, except for
66 subsection 12 of section 32.087, and all provisions of sections 144.600 to 144.745
67 shall apply to the tax imposed pursuant to sections 144.757 to 144.761, and the
68 director of revenue shall perform all functions incident to the administration,
69 collection, enforcement, and operation of the tax.

144.761. 1. No county or municipality imposing a local use tax pursuant
2 to sections 144.757 to 144.761 may repeal or amend such local use tax unless
3 such repeal or amendment is submitted to and approved by the voters of the
4 county or municipality in the manner provided in section 144.757; provided,
5 however, that the repeal of the local sales tax within the county or municipality
6 shall be deemed to repeal the local use tax imposed pursuant to sections 144.757
7 to 144.761.

8 2. Whenever the governing body of any county or municipality in which
9 a local use tax has been imposed in the manner provided by sections 144.757 to
10 144.761 receives a petition, signed by fifteen percent of the registered voters of
11 such county or municipality voting in the last gubernatorial election, calling for
12 an election to repeal such local use tax, the governing body shall submit to the
13 voters of such county or municipality a proposal to repeal the county or
14 municipality use tax imposed pursuant to sections 144.757 to 144.761. If a
15 majority of the votes cast on the proposal by the registered voters voting thereon
16 are in favor of the proposal to repeal the local use tax, then the ordinance or
17 order imposing the local use tax, along with any amendments thereto, is repealed.
18 If a majority of the votes cast by the registered voters voting thereon are opposed
19 to the proposal to repeal the local use tax, then the ordinance or order imposing
20 the local use tax, along with any amendments thereto, shall remain in
21 effect. **Subsection 19 of section 32.087 shall apply to such repeal of the**
22 **tax authorized under sections 144.757 to 144.761.**

184.845. 1. The board of the district may impose a museum and cultural
2 district sales tax by resolution on all retail sales made in such museum and
3 cultural district which are subject to [taxation pursuant to the provisions of
4 sections 144.010 to 144.525] **sales tax under chapter 144.** Such museum and
5 cultural district sales tax may be imposed for any museum or cultural purpose
6 designated by the board of the museum and cultural district. If the resolution is
7 adopted the board of the district may submit the question of whether to impose

8 a sales tax authorized by this section to the qualified voters, who shall have the
9 same voting interests as with the election of members of the board of the district.

10 2. The sales tax authorized by this section shall become effective [on the
11 first day of the second calendar quarter following adoption of the tax by the board
12 or qualified voters] **as provided in subsection 19 of section 32.087**, if the
13 board elects to submit the question of whether to impose a sales tax to the
14 qualified voters.

15 3. In each museum and cultural district in which a sales tax has been
16 imposed in the manner provided by this section, every retailer shall add the tax
17 imposed by the museum and cultural district pursuant to this section to the
18 retailer's sale price, and when so added such tax shall constitute a part of the
19 price, shall be a debt of the purchaser to the retailer until paid, and shall be
20 recoverable at law in the same manner as the purchase price.

21 4. In order to permit sellers required to collect and report the sales tax
22 authorized by this section to collect the amount required to be reported and
23 remitted, but not to change the requirements of reporting or remitting tax or to
24 serve as a levy of the tax, and in order to avoid fractions of pennies, the [museum
25 and cultural district may establish appropriate brackets which shall be used in
26 the district imposing a tax pursuant to this section in lieu of those brackets
27 provided in] **tax shall be calculated as authorized by the provisions of**
28 **section 144.285.**

29 5. All revenue received by a museum and cultural district from the tax
30 authorized by this section which has been designated for a certain museum or
31 cultural purpose shall be deposited in a special trust fund and shall be used
32 solely for such designated purpose. All funds remaining in the special trust fund
33 shall continue to be used solely for such designated museum or cultural
34 purpose. Any funds in such special trust fund which are not needed for current
35 expenditures may be invested by the board of directors in accordance with
36 applicable laws relating to the investment of other museum or cultural district
37 funds.

38 6. The sales tax may be imposed at a rate of one-half of one percent,
39 three-fourths of one percent or one percent on the receipts from the sale at retail
40 of all tangible personal property or taxable services at retail within the museum
41 and cultural district adopting such tax, if such property and services are subject
42 to taxation by the state of Missouri [pursuant to the provisions of sections
43 144.010 to 144.525] **under chapter 144.** Any museum and cultural district

44 sales tax imposed pursuant to this section shall be imposed at a rate that shall
45 be uniform throughout the district.

46 7. On and after the effective date of any tax imposed pursuant to this
47 section, the [museum and cultural district] **director of revenue** shall perform
48 all functions incident to the administration, collection, enforcement, and operation
49 of the tax. The tax imposed pursuant to this section shall be collected and
50 reported upon such forms and under such administrative rules and regulations
51 as may be prescribed by the [museum and cultural district] **director of**
52 **revenue**.

53 8. All applicable provisions contained in sections 144.010 to 144.525
54 governing the state sales tax, sections 32.085 [and] **to** 32.087, and section 32.057,
55 the uniform confidentiality provision, shall apply to the collection of the tax
56 imposed by this section, except as modified in this section. All revenue collected
57 under this section by the director of the department of revenue on behalf of the
58 museum and cultural districts[, except for one percent for the cost of collection
59 which shall be deposited in the state's general revenue fund,] shall be deposited
60 in a special trust fund, which is hereby created and shall be known as the
61 "Missouri Museum Cultural District Tax Fund", and shall be used solely for such
62 designated purpose. [Moneys in the fund shall not be deemed to be state funds,
63 and shall not be commingled with any funds of the state.] The director may make
64 refunds from the amounts in the fund and credited to the district for erroneous
65 payments and overpayments made, and may redeem dishonored checks and drafts
66 deposited to the credit of such county.

67 9. All exemptions granted to agencies of government, organizations,
68 persons and to the sale of certain articles and items of tangible personal property
69 and taxable services pursuant to the provisions of sections 144.010 to 144.525 are
70 hereby made applicable to the imposition and collection of the tax imposed by this
71 section.

72 10. The same sales tax permit, exemption certificate and retail certificate
73 required by sections 144.010 to 144.525 for the administration and collection of
74 the state sales tax shall satisfy the requirements of this section, and no
75 additional permit or exemption certificate or retail certificate shall be required;
76 except that the museum and cultural district may prescribe a form of exemption
77 certificate for an exemption from the tax imposed by this section.

78 11. The penalties provided in section 32.057 and sections 144.010 to
79 144.525 for violation of those sections are hereby made applicable to violations

80 of this section.

81 12. [For the purpose of a sales tax imposed by a resolution pursuant to
82 this section, all retail sales except retail sales of motor vehicles shall be deemed
83 to be consummated at the place of business of the retailer unless the tangible
84 personal property sold is delivered by the retailer or the retailer's agent to an
85 out-of-state destination or to a common carrier for delivery to an out-of-state
86 destination. In the event a retailer has more than one place of business in this
87 state which participates in the sale, the sale shall be deemed to be consummated
88 at the place of business of the retailer where the initial order for the tangible
89 personal property is taken, even though the order shall be forwarded elsewhere
90 for acceptance, approval of credit, shipment or billing. A sale by a retailer's
91 employee shall be deemed to be consummated at the place of business from which
92 the employee works.

93 13.] All sales taxes collected by the museum and cultural district shall be
94 deposited by the museum and cultural district in a special fund to be expended
95 for the purposes authorized in this section. The museum and cultural district
96 shall keep accurate records of the amount of money which was collected pursuant
97 to this section, and the records shall be open to the inspection by the officers and
98 directors of each museum and cultural district and the Missouri department of
99 revenue. Tax returns filed by businesses within the district shall otherwise be
100 considered as confidential in the same manner as sales tax returns filed with the
101 Missouri department of revenue.

102 [14.] 13. No museum and cultural district imposing a sales tax pursuant
103 to this section may repeal or amend such sales tax unless such repeal or
104 amendment will not impair the district's ability to repay any liabilities which it
105 has incurred, money which it has borrowed or revenue bonds, notes or other
106 obligations which it has issued or which have been issued to finance any project
107 or projects.

108 14. **Except as modified in this section, all provisions of sections**
109 **32.085 to 32.087 shall apply to the tax imposed under this section.**

221.407. 1. The commission of any regional jail district may impose, by
2 order, a sales tax in the amount of one-eighth of one percent, one-fourth of one
3 percent, three-eighths of one percent, or one-half of one percent on all retail sales
4 made in such region which are subject to taxation [pursuant to the provisions of
5 sections 144.010 to 144.525] **under chapter 144** for the purpose of providing jail
6 services and court facilities and equipment for such region. The tax authorized

7 by this section shall be in addition to any and all other sales taxes allowed by
8 law, except that no order imposing a sales tax pursuant to this section shall be
9 effective unless the commission submits to the voters of the district, on any
10 election date authorized in chapter 115, a proposal to authorize the commission
11 to impose a tax.

12 2. The ballot of submission shall contain, but need not be limited to, the
13 following language:

14 Shall the regional jail district of _____ (counties' names) impose a
15 region-wide sales tax of _____ (insert amount) for the purpose of providing jail
16 services and court facilities and equipment for the region?

17 ☐ YES ☐ NO

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you
19 are opposed to the question, place an "X" in the box opposite "NO".

20 If a majority of the votes cast on the proposal by the qualified voters of the
21 district voting thereon are in favor of the proposal, then the order and any
22 amendment to such order shall be in effect [on the first day of the second quarter
23 immediately following the election approving the proposal] **as provided by**
24 **subsection 19 of section 32.087**. If the proposal receives less than the
25 required majority, the commission shall have no power to impose the sales tax
26 authorized pursuant to this section unless and until the commission shall again
27 have submitted another proposal to authorize the commission to impose the sales
28 tax authorized by this section and such proposal is approved by the required
29 majority of the qualified voters of the district voting on such proposal; however,
30 in no event shall a proposal pursuant to this section be submitted to the voters
31 sooner than twelve months from the date of the last submission of a proposal
32 pursuant to this section.

33 3. All revenue received by a district from the tax authorized pursuant to
34 this section shall be deposited in a special trust fund and shall be used solely for
35 providing jail services and court facilities and equipment for such district for so
36 long as the tax shall remain in effect.

37 4. Once the tax authorized by this section is abolished or terminated by
38 any means, all funds remaining in the special trust fund shall be used solely for
39 providing jail services and court facilities and equipment for the district. Any
40 funds in such special trust fund which are not needed for current expenditures
41 may be invested by the commission in accordance with applicable laws relating
42 to the investment of other county funds.

43 5. All sales taxes collected by the director of revenue pursuant to this
44 section on behalf of any district[, less one percent for cost of collection which shall
45 be deposited in the state's general revenue fund after payment of premiums for
46 surety bonds as provided in section 32.087,] shall be deposited in a special trust
47 fund, which is hereby created, to be known as the "Regional Jail District Sales
48 Tax Trust Fund". [The moneys in the regional jail district sales tax trust fund
49 shall not be deemed to be state funds and shall not be commingled with any funds
50 of the state.] The director of revenue shall keep accurate records of the amount
51 of money in the trust fund which was collected in each district imposing a sales
52 tax pursuant to this section, and the records shall be open to the inspection of
53 officers of each member county and the public. Not later than the tenth day of
54 each month the director of revenue shall distribute all moneys deposited in the
55 trust fund during the preceding month to the district which levied the tax. Such
56 funds shall be deposited with the treasurer of each such district, and all
57 expenditures of funds arising from the regional jail district sales tax trust fund
58 shall be paid pursuant to an appropriation adopted by the commission and shall
59 be approved by the commission. Expenditures may be made from the fund for
60 any function authorized in the order adopted by the commission submitting the
61 regional jail district tax to the voters.

62 6. The director of revenue may make refunds from the amounts in the
63 trust fund and credited to any district for erroneous payments and overpayments
64 made, and may redeem dishonored checks and drafts deposited to the credit of
65 such districts. If any district abolishes the tax, the commission shall notify the
66 director of revenue of the action [at least ninety days prior to the effective date
67 of the repeal,] and the director of revenue may order retention in the trust fund,
68 for a period of one year, of two percent of the amount collected after receipt of
69 such notice to cover possible refunds or overpayment of the tax and to redeem
70 dishonored checks and drafts deposited to the credit of such accounts. After one
71 year has elapsed after the effective date of abolition of the tax in such district,
72 the director of revenue shall remit the balance in the account to the district and
73 close the account of that district. The director of revenue shall notify each
74 district in each instance of any amount refunded or any check redeemed from
75 receipts due the district.

76 7. Except as provided in this section, all provisions of sections 32.085
77 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

78 8. The provisions of this section shall expire September 30, 2028.

238.235. 1. (1) Any transportation development district may by resolution impose a transportation development district sales tax on all retail sales made in such transportation development district which are subject to taxation [pursuant to the provisions of sections 144.010 to 144.525] **under chapter 144**, except such transportation development district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors [nor to all sales of electricity or electrical current, water and gas, natural or artificial, nor to sales of service to telephone subscribers, either local or long distance], **electricity piped natural or artificial gas, or other fuels delivered by the seller**. Such transportation development district sales tax may be imposed for any transportation development purpose designated by the transportation development district in its ballot of submission to its qualified voters, except that no resolution enacted pursuant to the authority granted by this section shall be effective unless:

(a) The board of directors of the transportation development district submits to the qualified voters of the transportation development district a proposal to authorize the board of directors of the transportation development district to impose or increase the levy of an existing tax pursuant to the provisions of this section; or

(b) The voters approved the question certified by the petition filed pursuant to subsection 5 of section 238.207.

(2) If the transportation district submits to the qualified voters of the transportation development district a proposal to authorize the board of directors of the transportation development district to impose or increase the levy of an existing tax pursuant to the provisions of paragraph (a) of subdivision (1) of this subsection, the ballot of submission shall contain, but need not be limited to, the following language:

Shall the transportation development district of _____ (transportation development district's name) impose a transportation development district-wide sales tax at the rate of _____ (insert amount) for a period of _____ (insert number) years from the date on which such tax is first imposed for the purpose of _____ (insert transportation development purpose)?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

If a majority of the votes cast on the proposal by the qualified voters voting

37 thereon are in favor of the proposal, then the resolution and any amendments
38 thereto shall be in effect **as provided by subsection 19 of section 32.087**. If
39 a majority of the votes cast by the qualified voters voting are opposed to the
40 proposal, then the board of directors of the transportation development district
41 shall have no power to impose the sales tax authorized by this section unless and
42 until the board of directors of the transportation development district shall again
43 have submitted another proposal to authorize it to impose the sales tax pursuant
44 to the provisions of this section and such proposal is approved by a majority of
45 the qualified voters voting thereon.

46 (3) [The sales tax authorized by this section shall become effective on the
47 first day of the second calendar quarter after the department of revenue receives
48 notification of the tax.

49 (4) In each transportation development district in which a sales tax has
50 been imposed in the manner provided by this section, every retailer shall add the
51 tax imposed by the transportation development district pursuant to this section
52 to the retailer's sale price, and when so added such tax shall constitute a part of
53 the price, shall be a debt of the purchaser to the retailer until paid, and shall be
54 recoverable at law in the same manner as the purchase price.

55 (5) In order to permit sellers required to collect and report the sales tax
56 authorized by this section to collect the amount required to be reported and
57 remitted, but not to change the requirements of reporting or remitting tax or to
58 serve as a levy of the tax, and in order to avoid fractions of pennies, the
59 transportation development district may establish appropriate brackets which
60 shall be used in the district imposing a tax pursuant to this section in lieu of
61 those brackets provided in section 144.285.

62 (6)] All revenue received by a transportation development district from the
63 tax authorized by this section which has been designated for a certain
64 transportation development purpose shall be deposited in a special trust fund and
65 shall be used solely for such designated purpose. Upon the expiration of the
66 period of years approved by the qualified voters pursuant to subdivision (2) of this
67 subsection or if the tax authorized by this section is repealed pursuant to
68 subsection 6 of this section, all funds remaining in the special trust fund shall
69 continue to be used solely for such designated transportation development
70 purpose. Any funds in such special trust fund which are not needed for current
71 expenditures may be invested by the board of directors in accordance with
72 applicable laws relating to the investment of other transportation development

73 district funds.

74 [(7)] (4) The sales tax may be imposed in increments of one-eighth of one
75 percent, up to a maximum of one percent on the receipts from the sale at retail
76 of all tangible personal property or taxable services at retail within the
77 transportation development district adopting such tax, if such property and
78 services are subject to taxation by the state of Missouri pursuant to [the
79 provisions of sections 144.010 to 144.525] **chapter 144**, except such
80 transportation development district sales tax shall not apply to the sale or use of
81 motor vehicles, trailers, boats or outboard motors [nor to public utilities]. Any
82 transportation development district sales tax imposed pursuant to this section
83 shall be imposed at a rate that shall be uniform throughout the district.

84 2. The resolution imposing the sales tax pursuant to this section shall
85 impose upon all sellers a tax for the privilege of engaging in the business of
86 selling tangible personal property or rendering taxable services at retail to the
87 extent and in the manner provided [in sections 144.010 to 144.525] **under**
88 **chapter 144**, and the rules and regulations of the director of revenue issued
89 pursuant thereto; except that the rate of the tax shall be the rate imposed by the
90 resolution as the sales tax and the tax shall be reported and returned to and
91 collected by the transportation development district.

92 3. [On and after the effective date of any tax imposed pursuant to this
93 section, the director of revenue shall perform all functions incident to the
94 administration, collection, enforcement, and operation of the tax, and the director
95 of revenue shall collect, in addition to all other sales taxes imposed by law, the
96 additional tax authorized pursuant to this section. The tax imposed pursuant to
97 this section and the taxes imposed pursuant to all other laws of the state of
98 Missouri shall be collected together and reported upon such forms and pursuant
99 to such administrative rules and regulations as may be prescribed by the director
100 of revenue.

101 4. (1) All applicable provisions contained in sections 144.010 to 144.525,
102 governing the state sales tax, sections 32.085 and 32.087 and section 32.057, the
103 uniform confidentiality provision, shall apply to the collection of the tax imposed
104 by this section, except as modified in this section.

105 (2) All exemptions granted to agencies of government, organizations,
106 persons and to the sale of certain articles and items of tangible personal property
107 and taxable services pursuant to the provisions of sections 144.010 to 144.525 are
108 hereby made applicable to the imposition and collection of the tax imposed by this

109 section.

110 (3) The same sales tax permit, exemption certificate and retail certificate
111 required by sections 144.010 to 144.525 for the administration and collection of
112 the state sales tax shall satisfy the requirements of this section, and no
113 additional permit or exemption certificate or retail certificate shall be required;
114 except that the transportation development district may prescribe a form of
115 exemption certificate for an exemption from the tax imposed by this section.

116 (4) All discounts allowed the retailer pursuant to the provisions of the
117 state sales tax laws for the collection of and for payment of taxes pursuant to
118 such laws are hereby allowed and made applicable to any taxes collected pursuant
119 to the provisions of this section.

120 (5) The penalties provided in section 32.057 and sections 144.010 to
121 144.525 for violation of those sections are hereby made applicable to violations
122 of this section.

123 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
124 section, all retail sales except retail sales of motor vehicles shall be deemed to be
125 consummated at the place of business of the retailer unless the tangible personal
126 property sold is delivered by the retailer or the retailer's agent to an out-of-state
127 destination or to a common carrier for delivery to an out-of-state destination. In
128 the event a retailer has more than one place of business in this state which
129 participates in the sale, the sale shall be deemed to be consummated at the place
130 of business of the retailer where the initial order for the tangible personal
131 property is taken, even though the order must be forwarded elsewhere for
132 acceptance, approval of credit, shipment or billing. A sale by a retailer's
133 employee shall be deemed to be consummated at the place of business from which
134 the employee works.

135 5.] All sales taxes received by the transportation development district shall
136 be deposited by the director of revenue in a special fund to be expended for the
137 purposes authorized in this section. The director of revenue shall keep accurate
138 records of the amount of money which was collected pursuant to this section, and
139 the records shall be open to the inspection of officers of each transportation
140 development district and the general public.

141 [6.] 4. (1) No transportation development district imposing a sales tax
142 pursuant to this section may repeal or amend such sales tax unless such repeal
143 or amendment will not impair the district's ability to repay any liabilities which
144 it has incurred, money which it has borrowed or revenue bonds, notes or other

145 obligations which it has issued or which have been issued by the commission or
146 any local transportation authority to finance any project or projects.

147 (2) Whenever the board of directors of any transportation development
148 district in which a transportation development sales tax has been imposed in the
149 manner provided by this section receives a petition, signed by ten percent of the
150 qualified voters calling for an election to repeal such transportation development
151 sales tax, the board of directors shall, if such repeal will not impair the district's
152 ability to repay any liabilities which it has incurred, money which it has borrowed
153 or revenue bonds, notes or other obligations which it has issued or which have
154 been issued by the commission or any local transportation authority to finance
155 any project or projects, submit to the qualified voters of such transportation
156 development district a proposal to repeal the transportation development sales
157 tax imposed pursuant to the provisions of this section. If a majority of the votes
158 cast on the proposal by the qualified voters voting thereon are in favor of the
159 proposal to repeal the transportation development sales tax, then the resolution
160 imposing the transportation development sales tax, along with any amendments
161 thereto, is repealed **as provided by subsection 19 of section 32.087**. If a
162 majority of the votes cast by the qualified voters voting thereon are opposed to
163 the proposal to repeal the transportation development sales tax, then the
164 ordinance or resolution imposing the transportation development sales tax, along
165 with any amendments thereto, shall remain in effect.

166 **[7.] 5.** Notwithstanding any provision of sections 99.800 to 99.865 and
167 this section to the contrary, the sales tax imposed by a district whose project is
168 a public mass transportation system shall not be considered economic activity
169 taxes as such term is defined under sections 99.805 and 99.918 and shall not be
170 subject to allocation under the provisions of subsection 3 of section 99.845, or
171 subsection 4 of section 99.957.

172 **6. After the effective date of any tax imposed under the**
173 **provisions of this section, the director of revenue shall perform all**
174 **functions incident to the administration, collection, enforcement, and**
175 **operation of the tax and collect, in addition to the sales tax for the**
176 **state of Missouri, the additional tax authorized under the authority of**
177 **this section. The tax imposed under this section and the tax imposed**
178 **under the sales tax law of the state of Missouri shall be collected**
179 **together and reported upon such forms and under such administrative**
180 **rules and regulations as may be prescribed by the director of revenue.**

181 **7. Except as provided in this section, all provisions of sections**
182 **32.085 to 32.087 shall apply to the tax imposed under this section.**

238.410. 1. Any county transit authority established pursuant to section
2 238.400 may impose a sales tax of up to one percent on all retail sales made in
3 such county which are subject to taxation under [the provisions of sections
4 144.010 to 144.525] **chapter 144**. The tax authorized by this section shall be in
5 addition to any and all other sales taxes allowed by law, except that no sales tax
6 imposed under the provisions of this section shall be effective unless the
7 governing body of the county, on behalf of the transit authority, submits to the
8 voters of the county, at a county or state general, primary or special election, a
9 proposal to authorize the transit authority to impose a tax.

10 2. The ballot of submission shall contain, but need not be limited to, the
11 following language:

12 Shall the _____ Transit Authority impose a countywide sales tax of _____
13 (insert amount) in order to provide revenues for the operation of transportation
14 facilities operated by the transit authority?

15 ☐ YES ☐ NO

16 If you are in favor of the question, place an "X" in the box opposite "YES". If you
17 are opposed to the question, place an "X" in the box opposite "NO".

18 If a majority of the votes cast on the proposal by the qualified voters voting
19 thereon are in favor of the proposal, then the tax shall become effective [on the
20 first day of the second calendar quarter following notification to the department
21 of revenue of adoption of the tax] **as provided by subsection 19 of section**
22 **32.087**. If a majority of the votes cast by the qualified voters voting are opposed
23 to the proposal, then the transit authority shall have no power to impose the
24 sales tax authorized by this section unless and until another proposal to
25 authorize the transit authority to impose the sales tax authorized by this section
26 has been submitted and such proposal is approved by a majority of the qualified
27 voters voting thereon.

28 3. All revenue received by the transit authority from the tax authorized
29 under the provisions of this section shall be deposited in a special trust fund and
30 shall be used solely by the transit authority for construction, purchase, lease,
31 maintenance and operation of transportation facilities located within the county
32 for so long as the tax shall remain in effect. Any funds in such special trust fund
33 which are not needed for current expenditures may be invested by the transit
34 authority in accordance with applicable laws relating to the investment of county

35 funds.

36 4. No transit authority imposing a sales tax pursuant to this section may
37 repeal or amend such sales tax unless such repeal or amendment is submitted to
38 and approved by the voters of the county in the same manner as provided in
39 subsection 1 of this section for approval of such tax. Whenever the governing
40 body of any county in which a sales tax has been imposed in the manner provided
41 by this section receives a petition, signed by ten percent of the registered voters
42 of such county voting in the last gubernatorial election, calling for an election to
43 repeal such sales tax, the governing body shall submit to the voters of such
44 county a proposal to repeal the sales tax imposed under the provisions of this
45 section. If a majority of the votes cast on the proposal by the registered voters
46 voting thereon are in favor of the proposal to repeal the sales tax, then such sales
47 tax is repealed **as provided by subsection 19 of section 32.087**. If a majority
48 of the votes cast by the registered voters voting thereon are opposed to the
49 proposal to repeal the sales tax, then such sales tax shall remain in effect.

50 5. The sales tax imposed under the provisions of this section shall impose
51 upon all sellers a tax for the privilege of engaging in the business of selling
52 tangible personal property or rendering taxable services at retail to the extent
53 and in the manner provided in [sections 144.010 to 144.525] **chapter 144** and
54 the rules and regulations of the director of revenue issued pursuant thereto;
55 except that the rate of the tax shall be the rate approved pursuant to this
56 section. The amount reported and returned to the director of revenue by the
57 seller shall be computed on the basis of the combined rate of the tax imposed by
58 [sections 144.010 to 144.525] **chapter 144** and the tax imposed by this section,
59 plus any amounts imposed under other provisions of law.

60 6. After the effective date of any tax imposed under the provisions of this
61 section, the director of revenue shall perform all functions incident to the
62 administration, collection, enforcement, and operation of the tax, and the director
63 of revenue shall collect in addition to the sales tax for the state of Missouri the
64 additional tax authorized under the authority of this section. The tax imposed
65 under this section and the tax imposed under the sales tax law of the state of
66 Missouri shall be collected together and reported upon such forms and under such
67 administrative rules and regulations as may be prescribed by the director of
68 revenue. In order to permit sellers required to collect and report the sales tax to
69 collect the amount required to be reported and remitted, but not to change the
70 requirements of reporting or remitting tax or to serve as a levy of the tax, and in

71 order to avoid fractions of pennies, the applicable provisions of section 144.285
72 shall apply to all taxable transactions.

73 7. All applicable provisions contained in [sections 144.010 to 144.525]
74 **chapter 144** governing the state sales tax and section 32.057, the uniform
75 confidentiality provision, shall apply to the collection of the tax imposed by this
76 section, except as modified in this section. All exemptions granted to agencies of
77 government, organizations, persons and to the sale of certain articles and items
78 of tangible personal property and taxable services under the provisions of
79 [sections 144.010 to 144.525] **chapter 144** are hereby made applicable to the
80 imposition and collection of the tax imposed by this section. The same sales tax
81 permit, exemption certificate and retail certificate required by [sections 144.010
82 to 144.525] **chapter 144** for the administration and collection of the state sales
83 tax shall satisfy the requirements of this section, and no additional permit or
84 exemption certificate or retail certificate shall be required; except that the
85 director of revenue may prescribe a form of exemption certificate for an exemption
86 from the tax imposed by this section. All discounts allowed the retailer under the
87 provisions of the state sales tax law for the collection of and for payment of taxes
88 under chapter 144 are hereby allowed and made applicable to any taxes collected
89 under the provisions of this section. The penalties provided in section 32.057 and
90 sections 144.010 to 144.525 for a violation of those sections are hereby made
91 applicable to violations of this section.

92 8. [For the purposes of a sales tax imposed pursuant to this section, all
93 retail sales shall be deemed to be consummated at the place of business of the
94 retailer, except for tangible personal property sold which is delivered by the
95 retailer or his agent to an out-of-state destination or to a common carrier for
96 delivery to an out-of-state destination and except for the sale of motor vehicles,
97 trailers, boats and outboard motors, which is provided for in subsection 12 of this
98 section. In the event a retailer has more than one place of business in this state
99 which participates in the sale, the sale shall be deemed to be consummated at the
100 place of business of the retailer where the initial order for the tangible personal
101 property is taken, even though the order must be forwarded elsewhere for
102 acceptance, approval of credit, shipment or billing. A sale by a retailer's
103 employee shall be deemed to be consummated at the place of business from which
104 he works.

105 9.] All sales taxes collected by the director of revenue under this section
106 on behalf of any transit authority[, less one percent for cost of collection which

107 shall be deposited in the state's general revenue fund after payment of premiums
108 for surety bonds as provided in this section,] shall be deposited in the state
109 treasury in a special trust fund, which is hereby created, to be known as the
110 "County Transit Authority Sales Tax Trust Fund". [The moneys in the county
111 transit authority sales tax trust fund shall not be deemed to be state funds and
112 shall not be commingled with any funds of the state.] The director of revenue
113 shall keep accurate records of the amount of money in the trust fund which was
114 collected in each transit authority imposing a sales tax under this section, and
115 the records shall be open to the inspection of officers of the county and the
116 public. Not later than the tenth day of each month the director of revenue shall
117 distribute all moneys deposited in the trust fund during the preceding month to
118 the transit authority which levied the tax.

119 [10.] **9.** The director of revenue may authorize the state treasurer to
120 make refunds from the amounts in the trust fund and credited to any transit
121 authority for erroneous payments and overpayments made, and may authorize the
122 state treasurer to redeem dishonored checks and drafts deposited to the credit of
123 such transit authorities. If any transit authority abolishes the tax, the transit
124 authority shall notify the director of revenue of the action [at least ninety days
125 prior to the effective date of the repeal] and the director of revenue may order
126 retention in the trust fund, for a period of one year, of two percent of the amount
127 collected after receipt of such notice to cover possible refunds or overpayment of
128 the tax and to redeem dishonored checks and drafts deposited to the credit of
129 such accounts. After one year has elapsed after the effective date of abolition of
130 the tax in such transit authority, the director of revenue shall authorize the state
131 treasurer to remit the balance in the account to the transit authority and close
132 the account of that transit authority. The director of revenue shall notify each
133 transit authority of each instance of any amount refunded or any check redeemed
134 from receipts due the transit authority. The director of revenue shall annually
135 report on his management of the trust fund and administration of the sales taxes
136 authorized by this section. He shall provide each transit authority imposing the
137 tax authorized by this section with a detailed accounting of the source of all funds
138 received by him for the transit authority.

139 [11.] **10.** The director of revenue and any of his deputies, assistants and
140 employees who shall have any duties or responsibilities in connection with the
141 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
142 or recording of funds which come into the hands of the director of revenue under

143 the provisions of this section shall enter a surety bond or bonds payable to any
144 and all transit authorities in whose behalf such funds have been collected under
145 this section in the amount of one hundred thousand dollars; but the director of
146 revenue may enter into a blanket bond or bonds covering himself and all such
147 deputies, assistants and employees. The cost of the premium or premiums for the
148 surety bond or bonds shall be paid by the director of revenue from the share of
149 the collection retained by the director of revenue for the benefit of the state.

150 [12.] 11. Sales taxes imposed pursuant to this section and use taxes on
151 the purchase and sale of motor vehicles, trailers, boats, and outboard motors shall
152 not be collected and remitted by the seller, but shall be collected by the director
153 of revenue at the time application is made for a certificate of title, if the address
154 of the applicant is within a county where a sales tax is imposed under this
155 section. The amounts so collected, less the one percent collection cost, shall be
156 deposited in the county transit authority sales tax trust fund. The purchase or
157 sale of motor vehicles, trailers, boats, and outboard motors shall be deemed to be
158 consummated at the address of the applicant. As used in this subsection, the
159 term "boat" shall only include motorboats and vessels as the terms "motorboat"
160 and "vessel" are defined in section 306.010.

161 [13.] 12. In any county where the transit authority sales tax has been
162 imposed, if any person is delinquent in the payment of the amount required to be
163 paid by him under this section or in the event a determination has been made
164 against him for taxes and penalty under this section, the limitation for bringing
165 suit for the collection of the delinquent tax and penalty shall be the same as that
166 provided in sections 144.010 to 144.525. Where the director of revenue has
167 determined that suit must be filed against any person for the collection of
168 delinquent taxes due the state under the state sales tax law, and where such
169 person is also delinquent in payment of taxes under this section, the director of
170 revenue shall notify the transit authority to which delinquent taxes are due
171 under this section by United States registered mail or certified mail at least ten
172 days before turning the case over to the attorney general. The transit authority,
173 acting through its attorney, may join in such suit as a party plaintiff to seek a
174 judgment for the delinquent taxes and penalty due such transit authority. In the
175 event any person fails or refuses to pay the amount of any sales tax due under
176 this section, the director of revenue shall promptly notify the transit authority to
177 which the tax would be due so that appropriate action may be taken by the
178 transit authority.

179 [14.] **13.** Where property is seized by the director of revenue under the
180 provisions of any law authorizing seizure of the property of a taxpayer who is
181 delinquent in payment of the tax imposed by the state sales tax law, and where
182 such taxpayer is also delinquent in payment of any tax imposed by this section,
183 the director of revenue shall permit the transit authority to join in any sale of
184 property to pay the delinquent taxes and penalties due the state and to the
185 transit authority under this section. The proceeds from such sale shall first be
186 applied to all sums due the state, and the remainder, if any, shall be applied to
187 all sums due such transit authority under this section.

188 [15. The transit authority created under the provisions of sections 238.400
189 to 238.412 shall notify any and all affected businesses of the change in tax rate
190 caused by the imposition of the tax authorized by sections 238.400 to 238.412.

191 16.] **14.** In the event that any transit authority in any county with a
192 charter form of government and with more than two hundred fifty thousand but
193 fewer than three hundred fifty thousand inhabitants submits a proposal in any
194 election to increase the sales tax under this section, and such proposal is
195 approved by the voters, the county shall be reimbursed for the costs of submitting
196 such proposal from the funds derived from the tax levied under this section.

197 **15. Except as provided in sections 238.400 to 238.412, all**
198 **provisions of sections 32.085 to 32.087 shall apply to the tax imposed**
199 **under sections 238.410 to 238.412.**

620.1350. 1. The words used in this section and sections 620.1355 and
2 620.1360 shall, unless the context otherwise requires, have the meaning provided
3 in subdivision (4) of subsection 2 of section 143.451, and in addition, the following
4 words shall have the following meanings:

- 5 (1) "Department", the department of economic development;
6 (2) "Director", the director of the department of economic development.

7 2. An investment funds service corporation or S corporation, certified
8 pursuant to this section and sections 620.1355 and 620.1360, may make an
9 annual election to compute the portion of income derived from sources within this
10 state either pursuant to section 143.451 or pursuant to section 32.200 relating to
11 the multistate tax compact. The annual election shall be made by the filing of a
12 corporate income tax return reflecting the use of such election and by filing a copy
13 of the certificate issued by the director pursuant to the provisions of this section
14 and sections 620.1355 and 620.1360. The annual election may be made
15 regardless of whether the corporation filed its income tax return on a single

16 entity basis or was included in a consolidated income tax return in any year.

17 **3. Notwithstanding the provisions of subsection 2 of this section**
18 **to the contrary, for all tax years beginning on or after January 1, 2019,**
19 **an investment funds service corporation or S corporation, certified**
20 **pursuant to this section and sections 620.1355 and 620.1360, shall**
21 **compute the portion of income derived from sources within this state**
22 **pursuant to section 143.455.**

620.3200. The department of economic development may, in
2 **addition to the fees provided under section 620.1900, charge a fee to the**
3 **recipient of any tax credits issued by the department under the**
4 **provisions of chapter 253 in an amount not to exceed one percent of the**
5 **amount of tax credits issued. The fee shall be payable to the Missouri**
6 **development finance board for the benefit of the capitol complex fund**
7 **established pursuant to section 620.3210 and shall be paid by the**
8 **recipient upon the issuance of the tax credits. The department of**
9 **economic development shall issue invoices for fees payable under this**
10 **section.**

620.3210. 1. This section shall be known and may be cited as the
2 **"Capitol Complex Tax Credit Act".**

3 **2. As used in this section, the following terms shall mean:**

4 **(1) "Board", the Missouri development finance board, a body**
5 **corporate and politic created under sections 100.250 to 100.297 and**
6 **100.700 to 100.850;**

7 **(2) "Capitol complex", the following buildings located in Jefferson**
8 **City, Missouri:**

9 **(a) State capitol building, 201 West Capitol Avenue;**

10 **(b) Supreme court building, 207 West High Street;**

11 **(c) Old Federal Courthouse, 131 West High Street;**

12 **(d) Highway building, 105 Capitol Avenue;**

13 **(e) Governor's mansion, 100 Madison Street;**

14 **(3) "Certificate", a tax credit certificate issued under this section;**

15 **(4) "Department", the Missouri department of economic**
16 **development;**

17 **(5) "Eligible artifact", any items of personal property specifically**
18 **for display in a building in the capitol complex or former fixtures**
19 **which were previously owned by the state and used within the capitol**
20 **complex, but which had been removed. The board of public buildings**

21 shall, in their sole discretion, make all determinations as to which
22 items are eligible artifacts and may employ such experts as may be
23 useful to them in making such a determination;

24 (6) "Eligible artifact donation", a donation of an eligible artifact
25 to the board of public buildings. The value of such donation shall be
26 set by the board of public buildings who may employ such experts as
27 may be useful to them in making such a determination. The board of
28 public buildings shall, in their sole discretion, determine if an artifact
29 is to be accepted;

30 (7) "Eligible monetary donation", donations received from a
31 qualified donor to the capitol complex fund, created in this section, or
32 to an organization exempt from taxation under 501(c)(3) of the Internal
33 Revenue Service Code of 1986, as amended, whose mission and purpose
34 is to restore, renovate, improve, and maintain one or more buildings in
35 the capitol complex, that are to be used solely for projects to restore,
36 renovate, improve, and maintain buildings and their furnishings in the
37 capitol complex and the administration thereof. Eligible donations may
38 include:

39 (a) Cash, including checks, money orders, credit card payments,
40 or similar cash equivalents valued at the face value of the
41 currency. Currency of other nations shall be valued based on the
42 exchange rate on the date of the gift. The date of the donation shall be
43 the date that cash or check is received by the applicant or the date
44 posted to the donor's account in the case of credit or debit cards;

45 (b) Stocks from a publicly traded company;

46 (c) Bonds which are publicly traded;

47 (8) "Eligible recipient", the capitol complex fund, created in this
48 section, or an organization exempt from taxation under 501(c)(3) of the
49 Internal Revenue Service Code of 1986, as amended, whose mission and
50 purpose is to restore, renovate, improve, and maintain one or more
51 buildings in the capitol complex;

52 (9) "Qualified donor", any of the following individuals or entities
53 who make an eligible monetary donation or eligible artifact donation
54 to the capitol complex fund or other eligible recipient:

55 (a) A person, firm, partner in a firm, corporation, or a
56 shareholder in an S corporation doing business in the state of Missouri
57 and subject to the state income tax imposed in chapter 143;

58 (b) A corporation subject to the annual corporation franchise tax
59 imposed in chapter 147;

60 (c) An insurance company paying an annual tax on its gross
61 premium receipts in this state;

62 (d) Any other financial institution paying taxes to the state of
63 Missouri or any political subdivision of this state under chapter 148;

64 (e) An individual subject to the state income tax imposed in
65 chapter 143;

66 (f) Any charitable organization, including any foundation or not-
67 for-profit corporation, which is exempt from federal income tax and
68 whose Missouri unrelated business taxable income, if any, would be
69 subject to the state income tax imposed under chapter 143.

70 3. There is hereby created a fund to be known as the "Capitol
71 Complex Fund", separate and distinct from all other board funds, which
72 is hereby authorized to receive any eligible monetary donation as
73 provided in this section and revenues derived from fees imposed
74 pursuant to section 620.3200. The capitol complex fund shall be
75 segregated into two accounts: a rehabilitation and renovation account
76 and a maintenance account. Ninety percent of the revenues received
77 from eligible donations pursuant to the provisions of this section and
78 fees collected pursuant to section 620.3000 shall be deposited in the
79 rehabilitation and renovation account and seven and one-half percent
80 of such revenues shall be deposited in the maintenance account. The
81 assets of these accounts, together with any interest which may accrue
82 thereon, shall be used by the board solely for the purposes of
83 restoration and maintenance of the building of the capitol complex as
84 defined in this section, and for no other purpose. The remaining two
85 and one-half percent of the revenues deposited into the fund may be
86 used for the purposes of soliciting donations to the fund, advertising
87 and promoting the fund, and administrative costs of administering the
88 fund. Any amounts not used for those purposes shall be deposited back
89 into the rehabilitation and renovation account and the maintenance
90 account divided in the manner set forth in this section. The board may,
91 as an administrative cost, use the funds to hire fund raising
92 professionals and such other experts or advisors as may be necessary
93 to carry out the board's duties under this section. The choice of
94 projects for which the money is to be used, as well as the determination

95 of the methods of carrying out the project and the procurement of
96 goods and services thereon shall be made by the commissioner of
97 administration. No moneys shall be released from the fund for any
98 expense without the approval of the commissioner of administration,
99 who may delegate that authority as deemed appropriate. All contracts
100 for rehabilitation, renovation, or maintenance work shall be the
101 responsibility of the commissioner of administration. A memorandum
102 of understanding may be executed between the commissioner of
103 administration and the board determining the processes for obligation,
104 reservation, and payment of eligible costs from the fund. The
105 commission of administration shall not obligate costs in excess of the
106 fund balance. The board shall not be responsible for any costs
107 obligated in excess of available funds and shall be held harmless in any
108 contracts related to rehabilitation, renovation, and maintenance of
109 capitol complex buildings. No other board funds shall be used to pay
110 obligations made by the commissioner of administration related to
111 activities under this section.

112 4. For all taxable years beginning on or after January 1, 2018,
113 any qualified donor shall be allowed a credit against the taxes
114 otherwise due under chapters 143 and 148, except for sections 143.191
115 to 143.265, in an amount of fifty percent of the eligible monetary
116 donation. The amount of the tax credit claimed may exceed the amount
117 of the donor's state income tax liability in the tax year for which the
118 credit is claimed. Any amount of credit that exceeds the qualified
119 donor's state income tax liability may be refundable or may be carried
120 forward to any of the taxpayer's four subsequent taxable years.

121 5. For all taxable years beginning on or after January 1, 2018,
122 any qualified donor shall be allowed a credit against the taxes
123 otherwise due under chapters 143 and 148, except for sections 143.191
124 to 143.265, in an amount of thirty percent of the eligible artifact
125 donation. The amount of the tax credit claimed may not exceed the
126 amount of the qualified donor's state income tax liability in the tax
127 year for which the credit is claimed. Any amount of credit that exceeds
128 the qualified donor's state income tax liability shall not be refundable
129 but may be carried forward to any other taxpayer's four subsequent
130 taxable years.

131 6. To claim a credit for an eligible monetary donation as set forth

132 in subsection 4 of this section, a qualified donor shall make an eligible
133 monetary donation to the board as custodian of the capitol complex
134 fund or other eligible recipient. Upon receipt of such donation, the
135 board or other eligible recipient shall issue to the qualified donor a
136 statement evidencing receipt of such donation, including the value of
137 such donation, with a copy to the department. Upon receipt of the
138 statement from the eligible recipient, the department shall issue a tax
139 credit certificate equal to fifty percent of the amount of the donation,
140 to the qualified donor, as indicated in the statement from the eligible
141 recipient.

142 7. To claim a credit for an eligible artifact donation as set forth
143 in subsection 5 of this section, a qualified donor shall donate an eligible
144 artifact to the board of public buildings. If the board of public
145 buildings determines that artifact is an eligible artifact and has
146 determined to accept the artifact, it shall issue a statement of donation
147 to the eligible donor specifying the value placed on the artifact by the
148 board of public buildings, with a copy to the department. Upon
149 receiving a statement from the board of public buildings, the
150 department shall issue a tax credit certificate equal to thirty percent
151 of the amount of the donation, to the qualified donor as indicated in the
152 statement from the board of public buildings.

153 8. The department shall not authorize more than ten million
154 dollars in tax credits provided under this section in any calendar
155 year. Donations shall be processed for tax credits on a first come, first
156 serve basis. Donations received in excess of the tax credit cap shall be
157 placed in line for tax credits issued the following year or shall be given
158 the opportunity to complete their donation without the expectation of
159 a tax credit, or shall request to have their donation returned.

160 9. Tax credits issued under the provisions of this section shall
161 not be subject to the payment of any fee required under the provisions
162 of section 620.1900.

163 10. Tax credits issued under this section may be assigned,
164 transferred, sold, or otherwise conveyed, and the new owner of the tax
165 credit shall have the same rights in the credit as the
166 taxpayer. Whenever a certificate is assigned, transferred, sold, or
167 otherwise conveyed, a notarized endorsement shall be filed with the
168 department specifying the name and address of the new owner of the

169 tax credit and the value of the credit.

170 **11. The department may promulgate rules to implement the**
171 **provisions of this section. Any rule or portion of a rule, as that term is**
172 **defined in section 536.010 that is created under the authority delegated**
173 **in this section shall become effective only if it complies with and is**
174 **subject to all of the provisions of chapter 536, and, if applicable, section**
175 **536.028. This section and chapter 536 are nonseverable and if any of**
176 **the powers vested with the general assembly pursuant to chapter 536,**
177 **to review, to delay the effective date, or to disapprove and annul a rule**
178 **are subsequently held unconstitutional, then the grant of rulemaking**
179 **authority and any rule proposed or adopted after August 28, 2018, shall**
180 **be invalid and void.**

181 **12. Pursuant to section 23.253 of the Missouri sunset act:**

182 **(1) The provisions of the new program authorized under this**
183 **section shall sunset automatically six years after August 28, 2018,**
184 **unless reauthorized by an act of the general assembly; and**

185 **(2) If such program is reauthorized, the program authorized**
186 **under this section shall sunset automatically twelve years after August**
187 **28, 2018; and**

188 **(3) This section shall terminate on September first of the**
189 **calendar year immediately following the calendar year in which the**
190 **program authorized under this section is sunset.**

644.032. 1. The governing body of any municipality or county may
2 impose, by ordinance or order, a sales tax in an amount not to exceed one-half of
3 one percent on all retail sales made in such municipality or county which are
4 subject to taxation under the provisions of [sections 144.010 to 144.525] **chapter**
5 **144.** The tax authorized by this section and section 644.033 shall be in addition
6 to any and all other sales taxes allowed by law, except that no ordinance or order
7 imposing a sales tax under the provisions of this section and section 644.033 shall
8 be effective unless the governing body of the municipality or county submits to
9 the voters of the municipality or county, at a municipal, county or state general,
10 primary or special election, a proposal to authorize the governing body of the
11 municipality or county to impose a tax, provided, that the tax authorized by this
12 section shall not be imposed on the sales of food, as defined in section 144.014,
13 when imposed by any county with a charter form of government and with more
14 than one million inhabitants.

15 2. The ballot of submission shall contain, but need not be limited to, the
16 following language:

17 Shall the municipality (county) of _____ impose a sales tax of
18 _____ (insert amount) for the purpose of providing funding for
19 _____ (insert either storm water control, or local parks, or storm
20 water control and local parks) for the municipality (county)?

21 ☐ YES ☐ NO

22 If a majority of the votes cast on the proposal by the qualified voters voting
23 thereon are in favor of the proposal, then the ordinance or order and any
24 amendments thereto shall [be in effect on the first day of the second quarter after
25 the director of revenue receives notice of adoption of the tax] **become effective**
26 **as provided in subsection 19 of section 32.087.** If a majority of the votes
27 cast by the qualified voters voting are opposed to the proposal, then the governing
28 body of the municipality or county shall not impose the sales tax authorized in
29 this section and section 644.033 until the governing body of the municipality or
30 county resubmits another proposal to authorize the governing body of the
31 municipality or county to impose the sales tax authorized by this section and
32 section 644.033 and such proposal is approved by a majority of the qualified
33 voters voting thereon; however, in no event shall a proposal pursuant to this
34 section and section 644.033 be submitted to the voters sooner than twelve months
35 from the date of the last proposal pursuant to this section and section 644.033.

36 3. All revenue received by a municipality or county from the tax
37 authorized under the provisions of this section and section 644.033 shall be
38 deposited in a special trust fund and shall be used to provide funding for storm
39 water control or for local parks, or both, within such municipality or county,
40 provided that such revenue may be used for local parks outside such municipality
41 or county if the municipality or county is engaged in a cooperative agreement
42 pursuant to section 70.220.

43 4. Any funds in such special trust fund which are not needed for current
44 expenditures may be invested by the governing body in accordance with
45 applicable laws relating to the investment of other municipal or county funds.

46 **5. Except as provided by this section, all provisions of sections**
47 **32.085 to 32.087 shall apply to the tax imposed under this section.**

 [66.601. The duties of the director of revenue with respect
2 to the allocation, division and distribution of sales and use tax
3 proceeds determined to be due any county of the first classification

4 having a charter form of government and having a population of
5 nine hundred thousand or more inhabitants and all municipalities
6 within such county, resulting from taxes levied or imposed under
7 the authority of sections 66.600 to 66.630, section 144.748, and
8 sections 94.850 to 94.857, may be delegated to the county levying
9 the county sales tax under sections 66.600 to 66.630, at the
10 discretion of the director of revenue and with the consent of the
11 county. Notwithstanding the provisions of section 32.057 to the
12 contrary, if such duties are so assigned, the director of revenue
13 shall furnish the county with sufficient information to perform such
14 duties in such form as may be agreed upon by the director and the
15 county at no cost to the county. The county shall be bound by the
16 provisions of section 32.057, and shall use any information
17 provided by the director of revenue under the provisions of this
18 section solely for the purpose of allocating, dividing and
19 distributing such sales and use tax revenues. The county shall
20 exercise all of the director's powers and duties with respect to such
21 allocation, division and distribution, and shall receive no fee for
22 carrying out such powers and duties.]

[67.1713. Beginning January 1, 2002, there is hereby
2 specifically exempted from the tax imposed pursuant to section
3 67.1712 all sales of food as defined by section 144.014.]

[67.1971. All entities remitting the sales tax authorized
2 pursuant to section 67.1959 shall have their liability reduced by an
3 amount equal to twenty-five percent of any taxes collected and
4 remitted pursuant to sections 94.802 to 94.805.]

[144.069. All sales taxes associated with the titling of motor
2 vehicles, trailers, boats and outboard motors under the laws of
3 Missouri shall be imposed at the rate in effect at the location of the
4 address of the owner thereof, and all sales taxes associated with
5 the titling of vehicles under leases of over sixty-day duration of
6 motor vehicles, trailers, boats and outboard motors shall be
7 imposed at the rate in effect, unless the vehicle, trailer, boat or
8 motor has been registered and sales taxes have been paid prior to
9 the consummation of the lease agreement at the location of the
10 address of the lessee thereof on the date the lease is consummated,

11 and all applicable sales taxes levied by any political subdivision
12 shall be collected and remitted on such sales from the purchaser or
13 lessee by the state department of revenue on that basis.]

[144.517. In addition to the exemptions granted pursuant
2 to section 144.030, there shall also be exempted from state sales
3 and use taxes all sales of textbooks, as defined by section 170.051,
4 when such textbook is purchased by a student who possesses proof
5 of current enrollment at any Missouri public or private university,
6 college or other postsecondary institution of higher learning
7 offering a course of study leading to a degree in the liberal arts,
8 humanities or sciences or in a professional, vocational or technical
9 field, provided that the books which are exempt from state sales
10 tax are those required or recommended for a class. Upon request
11 the institution or department must provide at least one list of
12 textbooks to the bookstore each semester. Alternately, the student
13 may provide to the bookstore a list from the instructor, department
14 or institution of his or her required or recommended
15 textbooks. This exemption shall not apply to any locally imposed
16 sales or use tax.]

[144.605. The following words and phrases as used in
2 sections 144.600 to 144.745 mean and include:

3 (1) "Calendar quarter", the period of three consecutive
4 calendar months ending on March thirty-first, June thirtieth,
5 September thirtieth or December thirty-first;

6 (2) "Engages in business activities within this state"
7 includes:

8 (a) Maintaining or having a franchisee or licensee operating
9 under the seller's trade name in this state if the franchisee or
10 licensee is required to collect sales tax pursuant to sections 144.010
11 to 144.525;

12 (b) Soliciting sales or taking orders by sales agents or
13 traveling representatives;

14 (c) A vendor is presumed to engage in business activities
15 within this state if any person, other than a common carrier acting
16 in its capacity as such, that has substantial nexus with this state:

17 a. Sells a similar line of products as the vendor and does so

18 under the same or a similar business name;

19 b. Maintains an office, distribution facility, warehouse, or
20 storage place, or similar place of business in the state to facilitate
21 the delivery of property or services sold by the vendor to the
22 vendor's customers;

23 c. Delivers, installs, assembles, or performs maintenance
24 services for the vendor's customers within the state;

25 d. Facilitates the vendor's delivery of property to customers
26 in the state by allowing the vendor's customers to pick up property
27 sold by the vendor at an office, distribution facility, warehouse,
28 storage place, or similar place of business maintained by the person
29 in the state; or

30 e. Conducts any other activities in the state that are
31 significantly associated with the vendor's ability to establish and
32 maintain a market in the state for the sales;

33 (d) The presumption in paragraph (c) may be rebutted by
34 demonstrating that the person's activities in the state are not
35 significantly associated with the vendor's ability to establish or
36 maintain a market in this state for the vendor's sales;

37 (e) Notwithstanding paragraph (c), a vendor shall be
38 presumed to engage in business activities within this state if the
39 vendor enters into an agreement with one or more residents of this
40 state under which the resident, for a commission or other
41 consideration, directly or indirectly refers potential customers,
42 whether by a link on an internet website, an in-person oral
43 presentation, telemarketing, or otherwise, to the vendor, if the
44 cumulative gross receipts from sales by the vendor to customers in
45 the state who are referred to the vendor by all residents with this
46 type of an agreement with the vendor is in excess of ten thousand
47 dollars during the preceding twelve months;

48 (f) The presumption in paragraph (e) may be rebutted by
49 submitting proof that the residents with whom the vendor has an
50 agreement did not engage in any activity within the state that was
51 significantly associated with the vendor's ability to establish or
52 maintain the vendor's market in the state during the preceding
53 twelve months. Such proof may consist of sworn written

statements from all of the residents with whom the vendor has an agreement stating that they did not engage in any solicitation in the state on behalf of the vendor during the preceding year provided that such statements were provided and obtained in good faith;

(3) "Maintains a place of business in this state" includes maintaining, occupying, or using, permanently or temporarily, directly or indirectly, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business in this state, whether owned or operated by the vendor or by any other person other than a common carrier acting in its capacity as such;

(4) "Person", any individual, firm, copartnership, joint venture, association, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state department, commission, board, bureau or agency, except the state transportation department, estate, trust, business trust, receiver or trustee appointed by the state or federal court, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular number;

(5) "Purchase", the acquisition of the ownership of, or title to, tangible personal property, through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

(6) "Purchaser", any person who is the recipient for a valuable consideration of any sale of tangible personal property acquired for use, storage or consumption in this state;

(7) "Sale", any transfer, barter or exchange of the title or ownership of tangible personal property, or the right to use, store or consume the same, for a consideration paid or to be paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or otherwise, and notwithstanding that the title or possession of the property or both is retained for security. For the purpose of this law the place of delivery of the property to the purchaser, user, storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by common carriers, private contractors, mails, express, agents, salesmen, solicitors,

90 hawkers, representatives, consignors, peddlers, canvassers or
91 otherwise;

92 (8) "Sales price", the consideration including the charges for
93 services, except charges incident to the extension of credit, paid or
94 given, or contracted to be paid or given, by the purchaser to the
95 vendor for the tangible personal property, including any services
96 that are a part of the sale, valued in money, whether paid in money
97 or otherwise, and any amount for which credit is given to the
98 purchaser by the vendor, without any deduction therefrom on
99 account of the cost of the property sold, the cost of materials used,
100 labor or service cost, losses or any other expenses whatsoever,
101 except that cash discounts allowed and taken on sales shall not be
102 included and "sales price" shall not include the amount charged for
103 property returned by customers upon rescission of the contract of
104 sales when the entire amount charged therefor is refunded either
105 in cash or credit or the amount charged for labor or services
106 rendered in installing or applying the property sold, the use,
107 storage or consumption of which is taxable pursuant to sections
108 144.600 to 144.745. The sales price shall not include usual and
109 customary delivery charges that are separately stated. In
110 determining the amount of tax due pursuant to sections 144.600 to
111 144.745, any charge incident to the extension of credit shall be
112 specifically exempted;

113 (9) "Selling agent", every person acting as a representative
114 of a principal, when such principal is not registered with the
115 director of revenue of the state of Missouri for the collection of the
116 taxes imposed pursuant to sections 144.010 to 144.525 or sections
117 144.600 to 144.745 and who receives compensation by reason of the
118 sale of tangible personal property of the principal, if such property
119 is to be stored, used, or consumed in this state;

120 (10) "Storage", any keeping or retention in this state of
121 tangible personal property purchased from a vendor, except
122 property for sale or property that is temporarily kept or retained
123 in this state for subsequent use outside the state;

124 (11) "Tangible personal property", all items subject to the
125 Missouri sales tax as provided in subdivisions (1) and (3) of section

126 144.020;

127 (12) "Taxpayer", any person remitting the tax or who should
128 remit the tax levied by sections 144.600 to 144.745;

129 (13) "Use", the exercise of any right or power over tangible
130 personal property incident to the ownership or control of that
131 property, except that it does not include the temporary storage of
132 property in this state for subsequent use outside the state, or the
133 sale of the property in the regular course of business;

134 (14) "Vendor", every person engaged in making sales of
135 tangible personal property by mail order, by advertising, by agent
136 or peddling tangible personal property, soliciting or taking orders
137 for sales of tangible personal property, for storage, use or
138 consumption in this state, all salesmen, solicitors, hawkers,
139 representatives, consignees, peddlers or canvassers, as agents of
140 the dealers, distributors, consignors, supervisors, principals or
141 employers under whom they operate or from whom they obtain the
142 tangible personal property sold by them, and every person who
143 maintains a place of business in this state, maintains a stock of
144 goods in this state, or engages in business activities within this
145 state and every person who engages in this state in the business of
146 acting as a selling agent for persons not otherwise vendors as
147 defined in this subdivision. Irrespective of whether they are
148 making sales on their own behalf or on behalf of the dealers,
149 distributors, consignors, supervisors, principals or employers, they
150 must be regarded as vendors and the dealers, distributors,
151 consignors, supervisors, principals or employers must be regarded
152 as vendors for the purposes of sections 144.600 to 144.745.]

2 [144.1000. Sections 144.1000 to 144.1015 shall be known as
3 and referred to as the "Simplified Sales and Use Tax
4 Administration Act".]

2 [144.1003. As used in sections 144.1000 to 144.1015, the
3 following terms shall mean:

3 (1) "Agreement", the streamlined sales and use tax
4 agreement;

5 (2) "Certified automated system", software certified jointly
6 by the states that are signatories to the agreement to calculate the

7 tax imposed by each jurisdiction on a transaction, determine the
8 amount of tax to remit to the appropriate state and maintain a
9 record of the transaction;

10 (3) "Certified service provider", an agent certified jointly by
11 the states that are signatories to the agreement to perform all of
12 the seller's sales tax functions;

13 (4) "Person", an individual, trust, estate, fiduciary,
14 partnership, limited liability company, limited liability partnership,
15 corporation or any other legal entity;

16 (5) "Sales tax", any sales tax levied pursuant to this
17 chapter, section 32.085, or any other sales tax authorized by
18 statute and levied by this state or its political subdivisions;

19 (6) "Seller", any person making sales, leases or rentals of
20 personal property or services;

21 (7) "State", any state of the United States and the District
22 of Columbia;

23 (8) "Use tax", the use tax levied pursuant to this chapter.]

[144.1006. For the purposes of reviewing and, if necessary,
2 amending the agreement embodying the simplification
3 recommendations contained in section 144.1015, the state may
4 enter into multistate discussions. For purposes of such discussions,
5 the state shall be represented by seven delegates, one of whom
6 shall be appointed by the governor, two members appointed by the
7 speaker of the house of representatives, one member appointed by
8 the minority leader of the house of representatives, two members
9 appointed by the president pro tempore of the senate and one
10 member appointed by the minority leader of the senate. The
11 delegates need not be members of the general assembly and at
12 least one of the delegates appointed by the speaker of the house of
13 representatives and one member appointed by the president pro
14 tempore of the senate shall be from the private sector and
15 represent the interests of Missouri businesses. The delegates shall
16 recommend to the committees responsible for reviewing tax issues
17 in the senate and the house of representatives each year any
18 amendment of state statutes required to be substantially in
19 compliance with the agreement. Such delegates shall make a

20 written report by the fifteenth day of January each year regarding
21 the status of the multistate discussions and upon final adoption of
22 the terms of the sales and use tax agreement by the multistate
23 body.]

[144.1009. No provision of the agreement authorized by
2 sections 144.1000 to 144.1015 in whole or in part invalidates or
3 amends any provision of the law of this state. Implementation of
4 any condition of this agreement in this state, whether adopted
5 before, at, or after membership of this state in the agreement, must
6 be by action of the general assembly. Such report shall be
7 delivered to the governor, the secretary of state, the president pro
8 tempore of the senate and the speaker of the house of
9 representatives and shall simultaneously be made publicly
10 available by the secretary of state to any person requesting a copy.]

[144.1012. Unless five of the seven delegates agree, the
2 delegates shall not enter into or vote for any streamlined sales and
3 use tax agreement that:

4 (1) Requires adoption of a definition of any term that would
5 cause any item or transaction that is now excluded or exempted
6 from sales or use tax to become subject to sales or use tax;

7 (2) Requires the state of Missouri to fully exempt or fully
8 apply sales taxes to the sale of food or any other item;

9 (3) Restricts the ability of local governments under statutes
10 in effect on August 28, 2002, to enact one or more local taxes on
11 one or more items without application of the tax to all sales within
12 the taxing jurisdiction, however, restriction of any such taxes
13 allowed by statutes effective after August 28, 2002, may be
14 supported;

15 (4) Provides for adoption of any uniform rate structure that
16 would result in a tax increase for any Missouri taxpayer;

17 (5) Affects the sourcing of sales tax transactions; or

18 (6) Prohibits limitations or thresholds on the application of
19 sales and use tax rates or prohibits any current sales or use tax
20 exemption in the state of Missouri, including exemptions that are
21 based on the value of the transaction or item.]

[144.1015. In addition to the requirements of section

2 144.1012, the delegates should consider the following features
3 when deciding whether or not to enter into any streamlined sales
4 and use tax agreement:

5 (1) The agreement should address the limitation of the
6 number of state rates over time;

7 (2) The agreement should establish uniform standards for
8 administration of exempt sales and the form used for filing sales
9 and use tax returns and remittances;

10 (3) The agreement should require the state to provide a
11 central, electronic registration system that allows a seller to
12 register to collect and remit sales and use taxes for all signatory
13 states;

14 (4) The agreement should provide that registration with the
15 central registration system and the collection of sales and use taxes
16 in the signatory states will not be used as a factor in determining
17 whether the seller has nexus with a state for any tax;

18 (5) The agreement should provide for reduction of the
19 burdens of complying with local sales and use taxes through the
20 following so long as they do not conflict with the provisions of
21 section 144.1012:

22 (a) Restricting variances between the state and local tax
23 bases;

24 (b) Requiring states to administer any sales and use taxes
25 levied by local jurisdictions within the state so that sellers
26 collecting and remitting these taxes will not have to register or file
27 returns with, remit funds to, or be subject to independent audits
28 from local taxing jurisdictions;

29 (c) Restricting the frequency of changes in the local sales
30 and use tax rates and setting effective dates for the application of
31 local jurisdictional boundary changes to local sales and use taxes;
32 and

33 (d) Providing notice of changes in local sales and use tax
34 rates and of changes in the boundaries of local taxing jurisdictions;

35 (6) The agreement should outline any monetary allowances
36 that are to be provided by the states to sellers or certified service
37 providers. The agreement must allow for a joint public and private

sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for state and local governments under various levels of complexity to be completed by July 1, 2003;

(7) The agreement should require each state to certify compliance with the terms of the agreement prior to joining and to maintain compliance, under the laws of the member state, with all provisions of the agreement while a member, only if the agreement and any amendment thereto complies with the provisions of section 144.1012;

(8) The agreement should require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information; and

(9) The agreement should provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult with in the administration of the agreement.]

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